

CITY AUDITOR'S OFFICE



FY 01-02 ANNUAL AUDIT RECOMMENDATION FOLLOW-UP

Report No. CAO 2600-0203-07

June 27, 2003

**RADFORD K. SNELDING, CPA, CIA, CFE
CITY AUDITOR**

TABLE OF CONTENTS

BACKGROUND.....	1
OBJECTIVE.....	1
SCOPE AND METHODOLOGY.....	1
CONCLUSION.....	2
AUDIT RECOMMENDATION STATUS.....	
Overview Chart– March 31, 1999 through June 14, 2002	3
Chart – March 29, 1999 through March 30, 2000	4
Chart – August 15, 2000 through May 18, 2001	4
Chart – August 6, 2001 through June 14, 2002	4
SUMMARY STATUS BY REPORTS.....	5-7
SUMMARY STATUS BY DEPARTMENT.....	8-9
DEPARTMENTAL AUDIT RECOMMENDATION FOLLOW-UP INDEX...	10-16
DEPARTMENTAL AUDIT RECOMMENDATION FOLLOW-UP DETAIL...	17
Building & Safety	18-35
City Manager	36-38
Detention & Enforcement	39-41
Field Operations	42-49
Finance & Business Services	50-73
Fire Services	74-81
Human Resources	82-96
Information Technologies	97-111
Leisure Services	112-122
Municipal Court	123-135
Public Works	136-139

FY 01-02 ANNUAL AUDIT RECOMMENDATION FOLLOW-UP REPORT CAO 2600-0203-07

BACKGROUND

We have completed an annual follow-up on 312 audit recommendations. These audit recommendations include 107 carryover items for the period 1999 – 2000, 47 carryover items for the period 2000-2001, and 158 new audit recommendations for the period 2001 - 2002.

OBJECTIVES

Our objectives were to determine progress made toward implementation of the recommendations contained in each report. This determination encompassed the status of the implementation and the effectiveness of the procedures put in place.

Much of the benefit from audit work is not in the findings reported or the recommendations made, but in their effective resolution. City management is responsible for addressing audit recommendations. This follow-up is a process to help management fulfill this responsibility.

SCOPE AND METHODOLOGY

Our follow-up was in accordance with Operating Instruction O.I.A. 050 of the City Auditor's Office Operating Instructions Manual. The scope of our follow-up included a determination as to whether the audit recommendations had been implemented during the period subsequent to the release of each report. City management was asked to identify the status of each recommendation using the following classifications:

- | | |
|-------------------------------|---|
| ◆ Complete | The Recommendation was implemented or some other action was taken to effectively correct the deficiency. |
| ◆ Partially Complete | The Recommendation was implemented or some other action has been taken; however, the deficiency has not been corrected or only part of the Recommendation has been implemented. |
| ◆ No Progress | No Action has been taken. |
| ◆ No Longer Applicable | The Recommendation no longer applies to the entity due to organizational changes, procedural changes, etc. |

The following methodology was applied when management's follow-up response indicated:

Complete or No Longer Applicable

- Interview appropriate personnel.
- Obtain and evaluate evidence supporting management's classification of recommendation

Partially Complete or No Progress

- Interview management for clarification when necessary.

FY 01-02 Annual Audit Recommendation Follow-up
Report No. CAO 2600-0203-07
June 27, 2003

CONCLUSION

Overall, City management has made significant progress toward the implementation of the audit recommendations contained in the various audit reports. The table on the following page summarizes the results of our Audit Recommendation Follow-up. We believe that the completion of the audit recommendations has helped the entities examined to operate more efficiently and effectively. For the entities where implementation remains incomplete, a greater effort should be made in achieving completion.

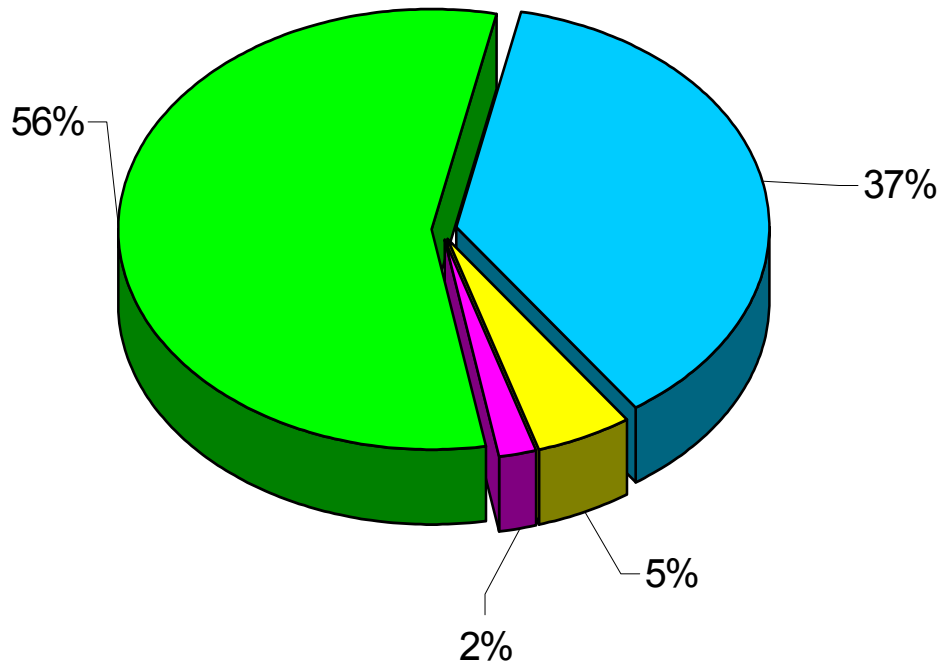
The accompanying Summary Status By Report and By Department identify the status of each of the audits issued between January 1999 and June 2002. Following the Summary Status Reports is a Detail Status that identifies the recommendations as Partially Complete or No Progress.

Audit Recommendation Status

The status of audit recommendations issued by the City Auditor's Office from March 29, 1999 through June 14, 2002 is summarized below and continues on page 4 with a breakout for each period. The detail of each Report Status follows on pages 5, 6, and 7.

Overview

May 21, 1999 through June 14, 2002



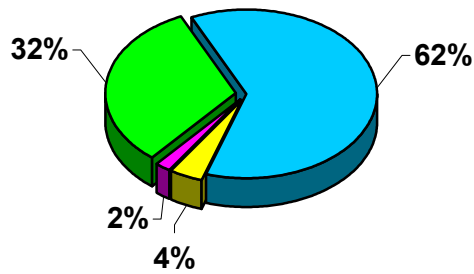
of Audit Recommendations

175	116	14	7	Total: 312
-----	-----	----	---	------------

Complete	Partially Complete	No Progress	No Longer Applicable
----------	--------------------	-------------	----------------------

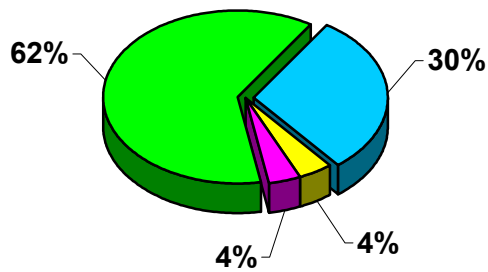
Audit Recommendation Status

March 29, 1999 - March 30, 2000



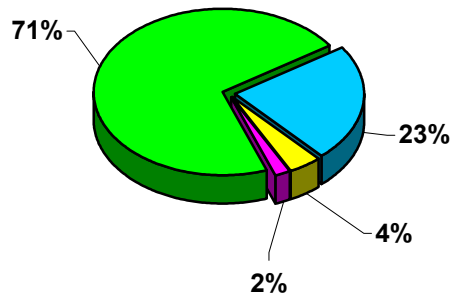
# of Audit Recommendations	
Complete	34
Partially Complete	66
No Progress	5
No Longer Applicable	2
Total	107

August 15, 2000 - May 18, 2001



# of Audit Recommendations	
Complete	29
Partially Complete	14
No Progress	2
No Longer Applicable	2
Total	47

August 6, 2001 - June 14, 2002



# of Audit Recommendations	
Complete	112
Partially Complete	36
No Progress	7
No Longer Applicable	3
Total	158

 Complete	 Partially Complete	 No Progress	 No Longer Applicable
--	---	--	--

Audit Reports Summary 1999-2000

	Complete	Partially Complete	No Progress	No Longer Applicable	Total
Office Supplies Contract Special Audit	0	2	0	0	2
1999-01 Report %	0%	100%	0%	0%	100%
Information Technology Operations	5	1	0	0	6
1999-02 Report %	83%	17%	0%	0%	100%
Cash Receipts Audit	1	0	0	0	1
1999-03 Report %	100%	0%	0%	0%	100%
Building & Safety Department	0	18	0	0	18
1999-04 Report %	0%	100%	0%	0%	100%
Department of Information Technologies – Systems Development Methodology	4	1	0	0	5
1999-06 Report %	80%	20%	0%	0%	100%
Las Vegas Municipal Court	7	9	2	0	18
1999-07 Report %	39%	50%	11%	0%	100%
Fire & Rescue Services	3	8	0	1	12
1999-08 Report %	25%	67%	0%	8%	100%
Department of Leisure Services Recreation Division	8	10	0	1	19
1999-09 Report %	42%	53%	0%	5%	100%
Department of Leisure Services Recreation Division - Community Schools	3	3	0	0	6
1999-10 Report %	50%	50%	0%	0%	100%
Citywide Payroll Process	3	14	3	0	20
2000-01 Report %	15%	70%	15%	0%	100%
1999 – 2000 Total	34	66	5	2	107
%	32%	62%	4%	2%	100%

Audit Reports Summary 2000-2001

	Complete	Partially Complete	No Progress	No Longer Applicable	Total
Special Report: Agreement Between Las Vegas Sportspark Ltd. And The City of Las Vegas	4	0	0	0	4
2400-0001-01 Report %	100%	0%	0%	0%	100%
Audit of Parking Enforcement and Collections	0	8	0	1	9
1401-0001-02 Report %	0%	89%	0%	11%	100%
Special Report: Municipal Court Mail Unit	7	0	1	0	8
2300-0001-03 Report %	88%	0%	12%	0%	100%
Audit of Las Vegas Area Computer Traffic System (LVACTS)	12	4	0	1	17
1502-0001-05 Report %	70%	24%	0%	6%	100%
Audit of Safety/Loss Control	6	2	1	0	9
501-0001-06 Report %	67%	22%	11%	0%	100%
2000-2001 Total	29	14	2	2	47
%	62%	30%	4%	4%	100%

Audit Reports Summary 2001-2002

	Complete	Partially Complete	No Progress	No Longer Applicable	Total
Rental Agreement Between The City of Las Vegas and The Mexican Patriotic Committee	7	0	0	0	7
2300-0102-01 Report %	100%	0%	0%	0%	100%
Audit of Wastewater Pollution Control Facility and Sewer Services	13	5	1	0	19
1501-0102-02 Report %	69%	26%	5%	0%	100%
Audit of Fleet and Transportation Services	11	11	0	0	22
1503-0102-03 Report %	50%	50%	0%	0%	100%
Audit of City Investments	18	2	0	0	20
601-0102-04 Report %	90%	10%	0%	0%	100%
SPECIAL REPORT: The Animal Foundation International Review of Financial and Managerial Issues	5	2	0	0	7
2300-0102-05 Report %	71%	29%	0%	0%	100%
Animal Foundation	9	0	0	1	10
2300-0102-06 (1998-01) Report %	90%	0%	0%	10%	100%
Audit of Cultural and Community Affairs Division	15	2	0	0	17
1601-0102-07 Report %	88%	12%	0%	0%	100%
Audit of Information Technology Security	28	6	3	0	37
2101-0102-09 Report %	76%	16%	8%	0%	100%
Audit of Professional Services Contracts	6	8	3	2	19
2002-0102-10 Report %	32%	42%	16%	10%	100%
2001-2002 Total	112	36	7	3	158
%	71%	23%	4%	2%	100%

SUMMARY BY DEPARTMENT

Department	Report #	Complete	Partially Complete	No Progress	No Longer Applicable	Total
AFI		10	0	0	1	11
2001-2002	2300-0102-05	4	0	0	0	4
2001-2002	2300-0102-06 (1998-01)	6	0	0	1	7
Building & Safety		0	18	0	0	18
1999-2000	1999-04	0	18	0	0	18
City Manager		4	3	0	1	8
1999-2000	1999-09	0	2	0	0	2
2000-2001	2400-0001-01	2	0	0	0	2
2000-2001	1502-0001-05	1	0	0	1	2
2000-2001	501-0001-06	1	0	0	0	1
2001-2002	601-0102-04	0	1	0	0	1
Detention & Enforcement		4	3	0	1	8
2000-2001	1401-0001-02	0	1	0	1	2
2001-2002	2300-0102-05	1	2	0	0	3
2001-2002	2300-0102-06 (1998-01)	3	0	0	0	3
Field Operations		11	13	0	0	24
1999-2000	1999-10	0	2	0	0	2
2001-2002	1503-0102-03	11	11	0	0	22
Finance & Business Services		29	23	7	2	61
1999-2000	1999-01	0	2	0	0	2
1999-2000	1999-03	1	0	0	0	1
1999-2000	2000-01	2	0	3	0	5
2000-2001	1401-0001-02	0	7	0	0	7
2001-2002	1501-0102-02	4	5	1	0	10
2001-2002	601-0102-04	18	1	0	0	19
2001-2002	2002-0102-10	4	8	3	2	17
Fire & Rescue		3	8	0	1	12
1999-2000	1999-08	3	8	0	1	12
Human Resources		6	13	1	0	20
1999-2000	2000-01	1	11	0	0	12
2000-2001	501-0001-06	5	2	1	0	8

SUMMARY BY DEPARTMENT (Continued)

Department	Report #	Complete	Partially Complete	No Progress	No Longer Applicable	Total
Information Technologies		37	11	3	0	51
1999-2000	1999-02	5	1	0	0	6
1999-2000	1999-06	4	1	0	0	5
1999-2000	2000-01	0	3	0	0	3
2001-2002	2101-0102-09	28	6	3	0	37
Leisure Services		35	11	0	1	47
1999-2000	1999-09	8	8	0	1	17
1999-2000	1999-10	3	1	0	0	4
2000-2001	2400-0001-01	2	0	0	0	2
2001-2002	2300-0102-01	7	0	0	0	7
2001-2002	1601-0102-07	15	2	0	0	17
Municipal Court		14	9	3	0	26
1999-2000	1999-07	7	9	2	0	18
2000-2001	2300-0001-03	7	0	1	0	8
Public Works		22	4	0	0	26
2000-2001	1502-0001-05	11	4	0	0	15
2001-2002	1501-0102-02	9	0	0	0	9
2001-2002	2002-0102-10	2	0	0	0	2
1999-2000	Total	34	66	5	2	107
	%	32%	62%	4%	2%	100%
2000-2001	Total	29	14	2	2	47
	%	62%	30%	4%	4%	100%
2001-2002	Total	112	36	7	3	158
	%	71%	23%	4%	2%	100%
Grand Total		175	116	14	7	312
%		56%	37%	5%	2%	100%

D E T A I L S T A T U S				
Building & Safety				
1999-04		Building & Safety Department		
			STATUS	PAGE
A. 1.	i	Permits System	Partially Complete	18
A. 1.	ii	Permits System	Partially Complete	19
A. 2.	i	Cash Receipts	Partially Complete	20
A. 2.	ii	Cash Receipts	Partially Complete	21
A. 3.	i	Plan Review and Approval	Partially Complete	22
A. 4.	i	Express Plan Check Program	Partially Complete	23
A. 4.	ii	Express Plan Check Program	Partially Complete	24
A. 5.	i	Complaint Processing	Partially Complete	25
A. 5.	ii	Complaint Processing	Partially Complete	26
A. 5.	iii	Complaint Processing	Partially Complete	27
A. 6.	i	Appeals Process	Partially Complete	28
A. 6.	v	Appeals Process	Partially Complete	29
B. 3.		Temporary Final Inspections	Partially Complete	30
B. 5.	ii	Work Performed Without A Permit	Partially Complete	31
B. 6.	i	Certificates Of Occupancy	Partially Complete	32
B. 6.	ii	Certificates Of Occupancy	Partially Complete	33
B. 6.	iii	Certificates Of Occupancy	Partially Complete	34
C. 2.	ii	Inspection Re-Fees	Partially Complete	35
City Manager				
1999-09		Department of Leisure Services Recreation Division		
C. 2.	i	Vending/Corporate Sponsorship	Partially Complete	36
C. 2.	ii	Vending/Corporate Sponsorship	Partially Complete	37
601-0102-04		Audit of City Investments		
4.	2.	Custody Agreement	Partially Complete	38

Detention & Enforcement				
1400-0001-02		Audit of Parking Enforcement and Collections		
			STATUS	PAGE
5.	2.	Meter Coin Collections	Partially Complete	39
2300-102-05 The Animal Foundation International Review of Financial and Managerial Issues				
	2.	Licensing System	Partially Complete	40
	3.	Licensing System	Partially Complete	41
Field Operations				
1999-10		Department of Leisure Services – Recreation Division – Community Schools		
D. 2.	i	Turf Maintenance of Public School Sites	Partially Complete	42
D. 2.	ii	Turf Maintenance of Public School Sites	Partially Complete	43
1503-0102-03 Fleet and Transportation Services				
2.	1.	Accountability For Vehicle Abuse	Partially Complete	44
2.	3.	Accountability For Vehicle Abuse	Partially Complete	44
2.	4.	Accountability For Vehicle Abuse	Partially Complete	45
4.	1.	Housing Authority Contract	Partially Complete	45
6.	1.	Allocation of Work Between Service Centers	Partially Complete	46
6.	2.	Allocation of Work Between Service Centers	Partially Complete	46
7.	1.	Work Order Processing	Partially Complete	47
7.	2.	Work Order Processing	Partially Complete	47
8.		Underutilized Vehicles	Partially Complete	48
9.	1.	Compressed Natural Gas (CNG) Usage Tracking	Partially Complete	48
9.	2.	Compressed Natural Gas (CNG) Usage Tracking	Partially Complete	49
Finance & Business Services				
1999-01		Purchasing and Contracts Division Office Supplies Contract Special Audit		
4.	b	Vendor Performance	Partially Complete	50

Finance & Business Services				
1999-01 Purchasing and Contracts Division Office Supplies Contract Special Audit				
			STATUS	PAGE
6.	a	Purchasing Policy And Procedures	Partially Complete	51
2000-01 Citywide Payroll Process				
B. 2.	i	Payroll Reports	No Progress	52
B. 2.	ii	Payroll Reports	No Progress	53
C. 2.	i	Incentive Compensation For Appointive Employees	No Progress	54
1401-0001-02 Audit of Parking Enforcement and Collections				
1.	1.	Delinquent Parking Citation Collections	Partially Complete	55
6.	1.	Parking System Limitations	Partially Complete	56
6.	2.	Parking System Limitations	Partially Complete	57
9.	3.	Parking Planning, Coordination, and Oversight	Partially Complete	58
11.	1.	Handicap Space Violation Fines And Penalties	Partially Complete	59
11.	2.	Handicap Space Violation Fines And Penalties	Partially Complete	60
14.	1.	Parking Hearings	Partially Complete	61
1501-0102-02 Wastewater Pollution Control Facility and Sewer Services				
A. 1.	1.	North Las Vegas Wastewater Treatment Fees	Partially Complete	62
A. 1.	2.	North Las Vegas Wastewater Treatment Fees	Partially Complete	63
A. 1.	3.	North Las Vegas Wastewater Treatment Fees	Partially Complete	64
B. 2.	1.	Sewer Fee Billings	No Progress	65
B. 4.	1.	Performance Reports	Partially Complete	66
B. 4.	2.	Performance Reports	Partially Complete	66
601-0102-04 Audit of City Investments				
6.	1.	Proficiency / Training of Backup Investment Personnel	Partially Complete	67
2002-0102-10 Professional Services Contracts				
1.	1.	Professional Services Policy and Procedures	Partially Complete	67

Finance & Business Services				
2002-0102-10		Professional Services Contracts		
			STATUS	PAGE
1.	2.	Professional Services Policy and Procedures	Partially Complete	68
2.	1.	Application of Professional Services Policy	Partially Complete	68
2.	4.	Application of Professional Services Policy	Partially Complete	69
3.	1.	Selection and Evaluation of Services Providers	Partially Complete	69
3.	2.	Selection and Evaluation of Services Providers	No Progress	70
3.	5.	Selection and Evaluation of Services Providers	No Progress	70
3.	6.	Selection and Evaluation of Services Providers	No Progress	71
5.	1.	Professional Services Contract	Partially Complete	71
5.	4.	Professional Services Contract	Partially Complete	72
6.	1.	Business License Requirement	Partially Complete	73
Fire Services				
1999-08		Fire & Rescue Services		
B. 2.	ii	Response Time Standards	Partially Complete	74
C. 2.		Battalion Chief Job Description	Partially Complete	75
D. 1.	i	Class Scheduling	Partially Complete	76
D. 1.	ii	Class Scheduling	Partially Complete	77
D. 1.	iii	Class Scheduling	Partially Complete	78
E. 1.	i	Maintenance Cost Tracking	Partially Complete	79
E. 3.	i	Parts and Service Purchasing	Partially Complete	80
E. 3.	ii	Parts and Service Purchasing	Partially Complete	81
Human Resources				
2000-01		Citywide Payroll Process		
B. 4.	i	Time In Lieu of Overtime	Partially Complete	82
B. 5.	i	Alternate Work Schedules	Partially Complete	83
B. 5.	ii	Alternate Work Schedules	Partially Complete	84
B. 5.	iii	Alternate Work Schedules	Partially Complete	85

Human Resources				
2000-01		Citywide Payroll Process		
			STATUS	PAGE
B. 5.	iv	Alternate Work Schedules	Partially Complete	86
B. 5.	v	Alternate Work Schedules	Partially Complete	87
B. 6.	iii	Sick Leave Policy and Monitoring	Partially Complete	88
C. 2.	ii	Incentive Compensation For Appointive Employees	Partially Complete	89
C. 2.	iii	Incentive Compensation For Appointive Employees	Partially Complete	90
C. 3.	ii	Salary Step Advancements For Classified Employees	Partially Complete	91
C. 4.	ii	Career Development Action Plan	Partially Complete	92
501-0001-06		Audit of Safety/Loss Control		
1.	2.	Workplace Injury	No Progress	93
2.	1.	Vehicle Accidents	Partially Complete	94-95
3.	1.	Self-Insurance Funds	Partially Complete	96
Information Technologies				
1999-02		Information Technology Operations		
B. 4.	i	Unauthorized Access	Partially Complete	97-98
D. 3.		Sun Solaris Administration	Partially Complete	98
1999-06		Department of Information Technologies Systems Development Methodology		
8.		Post Implementation Review	Partially Complete	99
2000-01		Citywide Payroll Process		
E. 2.	iii	Access Control	Partially Complete	100
E. 6.	v	Root Access	Partially Complete	101
E. 9.		Encryption	Partially Complete	102
2101-0102-09		Information Technology Security		
1.	1.	Risk Analysis	Partially Complete	103

Information Technologies				
2101-0102-09		Information Technology Security		
			STATUS	PAGE
1.	2.	Risk Analysis	Partially Complete	103
1.	3.	Risk Analysis	Partially Complete	104
3.	2.	Incident and Intrusion Monitoring, Detection, Handling, Reporting, and Logging	Partially Complete	105
5.	3.	Social Engineering	No Progress	106
8.	6.	System Access and Authentication	No Progress	107
9.	1.	Domain Administrator Rights	Partially Complete	108
10.	1.	Root Access	Partially Complete	109
15.	1.	Multiple Sessions	No Progress	110
Leisure Services				
1999-09		Department of Leisure Services Recreation Division		
A. 1.		Master Plan	Partially Complete	111
A. 2.		Accreditation	Partially Complete	112
C. 1.	i	Fees	Partially Complete	113
C. 1.	ii	Fees	Partially Complete	114
C. 1.	v	Fees	Partially Complete	115
D. 3.	i	Resident Preference	Partially Complete	116
D. 3.	ii	Resident Preference	Partially Complete	117
F. 2.	i	Pool Rental	Partially Complete	118
1999-10		Department of Leisure Services Recreation Division – Community Schools		
C. 3.	i.	City Network and Internet Access By Community Schools	Partially Complete	119
1601-0102-07 Cultural and Community Affairs Division				
1.	1.	Cost Recovery	Partially Complete	120
1.	3.	Cost Recovery	Partially Complete	121-122

Municipal Court				
1999-07		Las Vegas Municipal Court		
			STATUS	PAGE
A. 2.		Training and Reference Manual	Partially Complete	123
B. 2.	ii	Transaction Receipts	Partially Complete	124
B. 2.	iii	Transaction Receipts	Partially Complete	125
B. 3.	i	Correspondence With Defendants	Partially Complete	126
B. 3.	ii	Correspondence With Defendants	Partially Complete	127
C. 1.	ii	Physical Security of Court	No Progress	128
C. 2.	iii	User Passwords For Court System	Partially Complete	129
C. 3.	ii	Court System Record Change Access and Monitoring	Partially Complete	130
C. 4.	ii	Limits On Cash In Drawers	No Progress	131
D. 1.		Audit Trail Reports and Monitoring	Partially Complete	132
D. 2.		Bail Register Report Errors	Partially Complete	133
2300-0001-03 SPECIAL REPORT: Municipal Court Mail Unit				
7.		Municipal Court Mail Unit	No Progress	134-135
Public Works				
1502-0001-05		Audit of Las Vegas Area Computer Traffic System (LVACTS)		
A. 1.	2.	Performance Evaluation	Partially Complete	136
A. 3.	3.	Physical Security	Partially Complete	137
A. 6.	2.	Training	Partially Complete	138-139
B. 5.	1.	System Monitoring	Partially Complete	139

DETAIL:

**DEPARTMENTAL AUDIT
RECOMMENDATION FOLLOW-UP**

Department: Building & Safety

Report No.: 1999-04 Building & Safety Department

A. 1. i Permits System

Partially Complete

Recommendation

In conjunction with the re-engineering of the Permits System by Information Technology, a thorough systems needs analysis should be performed by management and IT to ensure that the end users needs are addressed and that certain functions presently being performed manually by staff are automated in the process.

Management's Plan of Action

Concur. We are in the final stage of the selection process for a Development Services-wide PC based system which will replace the current mainframe based system. System needs analysis has been performed and incorporated into the feature and functionality requirements of the new system.

Follow-up Response

2/25/03 The most recent "go-live" date for the implementation of Phase I of Hansen is June 2003. Within the first four to six months, the system may need some fine-tuning, and then on-going maintenance adjustments as necessary. We anticipate implementation of your recommendations by December 2003. Please note that Phase II of the Hansen Program has not yet been scheduled.

4/23/02 The "go-live" date is December 16, 2002. We anticipate six months of learning the new system, "de-bugging", fixing, etc., before we can go beyond the point of basics and implement your recommendations. The final completion date would be December, 2003.

10/18/01 Hansen project is in implementation process. Estimated completion is June, 2002.

Department: Building & Safety

Report No.: 1999-04 Building & Safety Department

A. 1. ii Permits System

Partially Complete

Recommendation

Data required from other city applications should be interfaced to the Permits System to eliminate data redundancy and to improve the accuracy of the information reported. Management should also document and prioritize their needs for system generated monitoring reports that would allow them to more effectively manage their department.

Management's Plan of Action

Concur. We are in the final stage of the selection process for a Development Services-wide PC based system which will replace the current mainframe based system. System needs analysis has been performed and incorporated into the feature and functionality requirements of the new system.

Follow-up Response

2/25/03 The most recent "go-live" date for the implementation of Phase I of Hansen is June 2003. Within the first four to six months, the system may need some fine-tuning, and then on-going maintenance adjustments as necessary. We anticipate implementation of your recommendations by December 2003. Please note that Phase II of the Hansen Program has not yet been scheduled.

4/23/02 The "go-live" date is December 16, 2002. We anticipate six months of learning the new system, "de-bugging", fixing, etc., before we can go beyond the point of basics and implement your recommendations. The final completion date would be December, 2003.

10/18/01 Hansen project is in implementation process. Estimated completion is June, 2002.

Department: Building & Safety

Report No.: 1999-04 Building & Safety Department

A. 2. i Cash Receipts

Partially Complete

Recommendation

In order to further improve the internal controls surrounding cash receipts in the Building & Safety Department, we recommend that management address the above control weaknesses.

Management's Plan of Action

Concur. Control weaknesses will be addressed as part of the new computer system. Our revenues balance everyday and this will be reflected with the new programming.

Follow-up Response

2/25/03 The most recent "go-live" date for the implementation of Phase I of Hansen is June 2003. Within the first four to six months, the system may need some fine-tuning, and then on-going maintenance adjustments as necessary. We anticipate implementation of your recommendations by December 2003. Please note that Phase II of the Hansen Program has not yet been scheduled.

4/23/02 The "go-live" date is December 16, 2002. We anticipate six months of learning the new system, "de-bugging", fixing, etc., before we can go beyond the point of basics and implement your recommendations. The final completion date would be December, 2003.

10/18/01 Hansen project is in implementation process. Estimated completion is June, 2002.

Department: Building & Safety

Report No.: 1999-04 Building & Safety Department

A. 2. ii Cash Receipts

Partially Complete

Recommendation

In conjunction with the system re-design, management should ensure that cash handling procedures are properly documented to serve as a reference tool and standard for the cashiers.

Management's Plan of Action

Concur. Cash handling procedures will be properly documented once the new system is initiated. We already have a basic procedures manual.

Follow-up Response

2/25/03 The most recent "go-live" date for the implementation of Phase I of Hansen is June 2003. Within the first four to six months, the system may need some fine-tuning, and then on-going maintenance adjustments as necessary. We anticipate implementation of your recommendations by December 2003. Please note that Phase II of the Hansen Program has not yet been scheduled.

4/23/02 The "go-live" date is December 16, 2002. We anticipate six months of learning the new system, "de-bugging", fixing, etc., before we can go beyond the point of basics and implement your recommendations. The final completion date would be December, 2003.

10/18/01 Hansen project is in implementation process. Estimated completion is June, 2002.

Department: Building & Safety

Report No.: 1999-04 Building & Safety Department

A. 3. i Plan Review and Approval

Partially Complete

Recommendation

In conjunction with the system re-design, management should ensure that monitoring and aging reports are produced for their use to monitor the progress of the plan review process.

Management's Plan of Action

Concur. Required reports are part of the functions of the new system.

Follow-up Response

2/25/03 The most recent "go-live" date for the implementation of Phase I of Hansen is June 2003. Within the first four to six months, the system may need some fine-tuning, and then on-going maintenance adjustments as necessary. We anticipate implementation of your recommendations by December 2003. Please note that Phase II of the Hansen Program has not yet been scheduled.

4/23/02 The "go-live" date is December 16, 2002. We anticipate six months of learning the new system, "de-bugging", fixing, etc., before we can go beyond the point of basics and implement your recommendations. The final completion date would be December, 2003.

10/18/01 Plan Review process has been drastically improved through internal procedural changes. Hansen system will improve reporting. Hansen project is in implementation process. Estimated completion is June, 2002.

Department: Building & Safety

Report No.: 1999-04 Building & Safety Department

A. 4. i Express Plan Check Program

Partially Complete

Recommendation

Unique transaction codes should be programmed for the Express Plan Check program.

Management's Plan of Action

Concur. Unique transaction codes will be included in the new computer system.

Follow-up Response

2/25/03 The most recent "go-live" date for the implementation of Phase I of Hansen is June 2003. Within the first four to six months, the system may need some fine-tuning, and then on-going maintenance adjustments as necessary. We anticipate implementation of your recommendations by December 2003. Please note that Phase II of the Hansen Program has not yet been scheduled.

4/23/02 The "go-live" date is December 16, 2002. We anticipate six months of learning the new system, "de-bugging", fixing, etc., before we can go beyond the point of basics and implement your recommendations. The final completion date would be December, 2003.

10/18/01 Hansen project is in implementation process. Estimated completion is June, 2002.

Department: Building & Safety

Report No.: 1999-04 Building & Safety Department

A. 4. ii Express Plan Check Program

Partially Complete

Recommendation

The unique transaction codes should be included and reported on the “Average Number of Days to Review Plans” Report to determine how long it is actually taking to permit these applications.

Management’s Plan of Action

Concur. Unique transaction codes will be included in the new computer system.

Follow-up Response

2/25/03 The most recent “go-live” date for the implementation of Phase I of Hansen is June 2003. Within the first four to six months, the system may need some fine-tuning, and then on-going maintenance adjustments as necessary. We anticipate implementation of your recommendations by December 2003. Please note that Phase II of the Hansen Program has not yet been scheduled.

4/23/02 The “go-live” date is December 16, 2002. We anticipate six months of learning the new system, “de-bugging”, fixing, etc., before we can go beyond the point of basics and implement your recommendations. The final completion date would be December, 2003.

10/18/01 Hansen project is in implementation process. Estimated completion is June, 2002.

Department: Building & Safety

Report No.: 1999-04 Building & Safety Department

A. 5. i Complaint Processing

Partially Complete

Recommendation

In order to monitor the nature of concerns that arise, management should have a means by which to effectively track all concerns and complaints received by the department.

Management's Plan of Action

Concur. Although management is responsive to complaints and does track trends, we do not have a form currently in use to do so. We experimented with a "complaint form", but the benefits did not justify the additional administrative burden imposed by already overworked staff and lack of programming. However, we will devise another process to track complaints on the new computer system and see if it works.

Follow-up Response

2/25/03 The most recent "go-live" date for the implementation of Phase I of Hansen is June 2003. Within the first four to six months, the system may need some fine-tuning, and then on-going maintenance adjustments as necessary. We anticipate implementation of your recommendations by December 2003. Please note that Phase II of the Hansen Program has not yet been scheduled.

4/23/02 The "go-live" date is December 16, 2002. We anticipate six months of learning the new system, "de-bugging", fixing, etc., before we can go beyond the point of basics and implement your recommendations. The final completion date would be December, 2003.

10/18/01 Complaints have dropped to virtually nothing. Hansen Project is in implementation process. Estimated completion is June, 2002.

Department: Building & Safety

Report No.: 1999-04 Building & Safety Department

A. 5. ii Complaint Processing

Partially Complete

Recommendation

Management should create a form to be used to document all pertinent information regarding complaints.

Management's Plan of Action

Concur. Although management is responsive to complaints and does track trends, we do not have a form currently in use to do so. We experimented with a "complaint form", but the benefits did not justify the additional administrative burden imposed by already overworked staff and lack of programming. However, we will devise another process to track complaints on the new computer system and see if it works.

Follow-up Response

2/25/03 The most recent "go-live" date for the implementation of Phase I of Hansen is June 2003. Within the first four to six months, the system may need some fine-tuning, and then on-going maintenance adjustments as necessary. We anticipate implementation of your recommendations by December 2003. Please note that Phase II of the Hansen Program has not yet been scheduled.

4/23/02 The "go-live" date is December 16, 2002. We anticipate six months of learning the new system, "de-bugging", fixing, etc., before we can go beyond the point of basics and implement your recommendations. The final completion date would be December, 2003.

10/18/01 Complaints have dropped to virtually nothing. Hansen Project is in implementation process. Estimated completion is June, 2002.

Department: Building & Safety

Report No.: 1999-04 Building & Safety Department

A. 5. iii Complaint Processing

Partially Complete

Recommendation

Management should use these forms to monitor and analyze the complaints received by the department in order to determine if any negative trends exist and to ensure that they are resolved in a timely manner.

Management's Plan of Action

Concur. Although management is responsive to complaints and does track trends, we do not have a form currently in use to do so. We experimented with a "complaint form", but the benefits did not justify the additional administrative burden imposed by already overworked staff and lack of programming. However, we will devise another process to track complaints on the new computer system and see if it works.

Follow-up Response

2/25/03 The most recent "go-live" date for the implementation of Phase I of Hansen is June 2003. Within the first four to six months, the system may need some fine-tuning, and then on-going maintenance adjustments as necessary. We anticipate implementation of your recommendations by December 2003. Please note that Phase II of the Hansen Program has not yet been scheduled.

4/23/02 The "go-live" date is December 16, 2002. We anticipate six months of learning the new system, "de-bugging", fixing, etc., before we can go beyond the point of basics and implement your recommendations. The final completion date would be December, 2003.

10/18/01 Complaints have dropped to virtually nothing. Hansen Project is in implementation process. Estimated completion is June, 2002.

Department: Building & Safety

Report No.: 1999-04 Building & Safety Department

A. 6. i Appeals Process

Partially Complete

Recommendation

Management should implement procedures to improve controls over the appeals hearing process.

Management's Plan of Action

Concur. This is the only appeals process in the valley, and it is widely acclaimed by builders and developers as the best around. As soon as resources are made available, all appeals will be digitally scanned and indexed by address, project identifier, and subject.

Follow-up Response

2/25/03 We have obtained our own scanning equipment and are working on the existing backlog at this time. Estimated completion of the backlog is December 2003, then we can begin scanning the Appeals.

4/23/02 We have obtained our own scanning equipment and are working on the existing backlog at this time. Estimated completion of backlog is December 2002, then we can start scanning the Appeals.

10/18/01 We are still working on upgrade of FileNet with IT to be able to scan and index.

Department: Building & Safety

Report No.: 1999-04 Building & Safety Department

A. 6. v Appeals Process

Partially Complete

Recommendation

The monitoring system should include scanning petition forms for retention and analysis.

Management's Plan of Action

Concur. This is the only appeals process in the valley, and it is widely acclaimed by builders and developers as the best around. As soon as resources are made available, all appeals will be digitally scanned and indexed by address, project identifier, and subject.

Follow-up Response

2/25/03 We have obtained our own scanning equipment and are working on the existing backlog at this time. We estimate completion of the backlog in December 2003. Then we can begin scanning the back appeals.

4/23/02 We have obtained our own scanning equipment and are working on the existing backlog at this time. We estimate completion of the backlog in December 2002. Then we can start scanning the back appeals.

10/18/01 We are still working on upgrade of FileNet with IT to be able to scan and index.

Department: Building & Safety

Report No.: 1999-04 Building & Safety Department

B. 3. Temporary Final Inspections

Partially Complete

Recommendation

In conjunction with the system re-design, management should ensure that proper reports are designed to monitor temporary final inspections and temporary Certificates of Occupancy and that appropriate notices are sent to property owners.

Management's Plan of Action

Concur. Tracking Temporary Finals and Certificates of Occupancy will be made part of the new computer system.

Follow-up Response

2/25/03 The most recent "go-live" date for the implementation of Phase I of Hansen is June 2003. Within the first four to six months, the system may need some fine-tuning, and then on-going maintenance adjustments as necessary. We anticipate implementation of your recommendations by December 2003. Please note that Phase II of the Hansen Program has not yet been scheduled.

4/23/02 The "go-live" date is December 16, 2002. We anticipate six months of learning the new system, "de-bugging", fixing, etc., before we can go beyond the point of basics and implement your recommendations. The final completion date would be December, 2003.

10/18/01 Hansen Project is in implementation process. Estimated completion is June, 2002.

Department: Building & Safety

Report No.: 1999-04 Building & Safety Department

B. 5. ii Work Performed Without A Permit

Partially Complete

Recommendation

Additionally, staff should monitor such properties to ensure that permits are obtained.

Management's Plan of Action

Concur. The new system will include automatic notifications to owners of work not permitted. We do not currently have time to manually do this, or always perform field checks.

Follow-up Response

2/25/03 The most recent "go-live" date for the implementation of Phase I of Hansen is June 2003. Within the first four to six months, the system may need some fine-tuning, and then on-going maintenance adjustments as necessary. We anticipate implementation of your recommendations by December 2003. Please note that Phase II of the Hansen Program has not yet been scheduled.

4/23/02 The "go-live" date is December 16, 2002. We anticipate six months of learning the new system, "de-bugging", fixing, etc., before we can go beyond the point of basics and implement your recommendations. The final completion date would be December, 2003.

10/18/01 Hansen Project is in implementation process. Estimated completion is June, 2002.

Department: Building & Safety

Report No.: 1999-04 Building & Safety Department

B. 6. i Certificates Of Occupancy

Partially Complete

Recommendation

In conjunction with the re-design of the Permits System, management should consider automating more of the CofO issuance process.

Management's Plan of Action

Concur. This is part of the required functions of the new system.

Follow-up Response

2/25/03 The most recent "go-live" date for the implementation of Phase I of Hansen is June 2003. Within the first four to six months, the system may need some fine-tuning, and then on-going maintenance adjustments as necessary. We anticipate implementation of your recommendations by December 2003. Please note that Phase II of the Hansen Program has not yet been scheduled.

4/23/02 The "go-live" date is December 16, 2002. We anticipate six months of learning the new system, "de-bugging", fixing, etc., before we can go beyond the point of basics and implement your recommendations. The final completion date would be December, 2003.

10/18/01 Hansen Project is in implementation process. Estimated completion is June, 2002.

Department: Building & Safety

Report No.: 1999-04 Building & Safety Department

B. 6. ii Certificates Of Occupancy

Partially Complete

Recommendation

All information required for a CofO and available at the time of application should be obtained during the application process.

Management's Plan of Action

Concur, with explanation. Much of the required information is not known at the time of application.

Follow-up Response

2/25/03 The most recent "go-live" date for the implementation of Phase I of Hansen is June 2003. Within the first four to six months, the system may need some fine-tuning, and then on-going maintenance adjustments as necessary. We anticipate implementation of your recommendations by December 2003. Please note that Phase II of the Hansen Program has not yet been scheduled.

4/23/02 The "go-live" date is December 16, 2002. We anticipate six months of learning the new system, "de-bugging", fixing, etc., before we can go beyond the point of basics and implement your recommendations. The final completion date would be December, 2003.

10/18/01 Hansen Project is in implementation process. Estimated completion is June, 2002.

Department: Building & Safety

Report No.: 1999-04 Building & Safety Department

B. 6. iii Certificates Of Occupancy

Partially Complete

Recommendation

All inspection results, regardless of the party performing the inspection, should be recorded on the Permits System so there is a complete history of all inspection activity for the respective building permit.

Management's Plan of Action

Concur. All required inspections from all departments (Building, Planning, Public Works, Fire) must be part of the new system.

Follow-up Response

2/25/03 The most recent "go-live" date for the implementation of Phase I of Hansen is June 2003. Within the first four to six months, the system may need some fine-tuning, and then on-going maintenance adjustments as necessary. We anticipate implementation of your recommendations by December 2003. Please note that Phase II of the Hansen Program has not yet been scheduled.

4/23/02 The "go-live" date is December 16, 2002. We anticipate six months of learning the new system, "de-bugging", fixing, etc., before we can go beyond the point of basics and implement your recommendations. The final completion date would be December, 2003.

10/18/01 Hansen Project is in implementation process. Estimated completion is June, 2002.

Department: Building & Safety

Report No.: 1999-04 Building & Safety Department

C. 2. ii Inspection Re-Fees

Partially Complete

Recommendation

To permit closer monitoring of re-fees by Inspection Supervisors, management should request that a report be generated by the Permits System which lists all permit numbers that have had more than two rejected like kind inspections in conjunction with the Permits System re-design.

Management's Plan of Action

Concur. We do not have the staff to do this now. This can be a function of the new computer system.

Follow-up Response

2/25/03 The most recent "go-live" date for the implementation of Phase I of Hansen is June 2003. Within the first four to six months, the system may need some fine-tuning, and then on-going maintenance adjustments as necessary. We anticipate implementation of your recommendations by December 2003. Please note that Phase II of the Hansen Program has not yet been scheduled.

4/23/02 The "go-live" date is December 16, 2002. We anticipate six months of learning the new system, "de-bugging", fixing, etc., before we can go beyond the point of basics and implement your recommendations. The final completion date would be December, 2003.

10/18/01 Vendor selected, but contract is not yet final. Estimate 12-18 months to implement.

Department: City Manager

Report No.: 1999-09 Department of Leisure Services - Recreation Division

C. 2. i Vending/Corporate Sponsorship

Partially Complete

Recommendation

City management should put out to bid all of the City's vending and the "Official Soft Drink of Las Vegas" title in order to obtain additional revenue from a soft drink vendor or distributor to support City programs.

Management's Plan of Action

Department of Leisure Services Management will explore the benefits of putting to bid all the City's vending and the "Official Soft Drink of Las Vegas" title in order to obtain substantial revenue from a soft drink vendor or distributor.

Follow-up Response

3/18/03 Responses to third party administrator were insufficient and proposals for soft drink vending were also below market value. Issues associated with "blind vending" and legal issues associated with advertising on City property should be explored further.

4/23/02 The City Manager's Office is recommending that a third-party administrator be hired to further develop this program. Please see CMIR titled, "Addendum: Advertising on City of Las Vegas Property" for more information.

10/22/01 This recommendation is currently being addressed by the Purchasing and Contracting Office. They have developed a "draft" RFP which is currently being reviewed by the City Attorney and other City departments having an interest in this process. Completion of this action depends upon the response from the RFP.

Department: City Manager

Report No.: 1999-09 Department of Leisure Services - Recreation Division

C. 2. ii Vending/Corporate Sponsorship

Partially Complete

Recommendation

City management should meet with the Bureau of the Blind to disseminate the necessary information related to vending as required by NRS.

Management's Plan of Action

Department of Leisure Services Management will coordinate a meeting with the Bureau of the Blind to disseminate the required information related to vending as required by NRS.

Follow-up Response

3/18/03 Responses to third party administrator were insufficient and proposals for soft drink vending were also below market value. Issues associated with "blind vending" and legal issues associated with advertising on City property should be explored further.

4/23/02 The City Attorney's Office has been closely involved in current vending activities. Any RFP should include an acknowledgement that a responsive and responsible respondent who is an officially licensed blind vendor by the Bureaus of Services for the Blind will have priority for any award. While a partnership between the Bureau and a sighted vendor is sanctioned by statute, such a partnership would not have priority for award of any contract. Bureau of the Blind has toured potential City of Las Vegas vending locations and staff will continue to work with the Bureau and its licensed vendors.

10/22/01 The department of Leisure Services is currently working with the City Attorney's Office (John Redlein) to develop correspondence to be submitted to the Bureau of the Blind informing them of the availability of this periodic sales opportunity, including but not limited to parks and little league concession. Leisure Services has committed to verify completion of this task no later than June 30, 2001.

Department: City Manager

Report No.: 601-0102-04 Audit of City Investments

4. 2. Custody Agreement

Partially Complete

Recommendation

City Management and the City Council should periodically review and approve the custody agreement.

Management's Plan of Action

Treasury will do an analysis of fees being charged to determine whether or not these fees are reasonable, and if not will initiate a competitive process for award of these services. Timetable--November 1, 2001.

The formalized investment procedures will include provisions for reviewing the custody agreement. Timetable—December 1, 2001.

The existing custodian agreement will be amended, or any new agreement entered into, shall contain limitations on the custodian so they cannot assign, pledge, encumber, or dispose of any security unless they are directed by the City. Timetable—August 1, 2001.

Consistent with new city policy, all future agreements will include an audit clause that would give the City the right to inspect its securities. Timetable—August 1, 2001.

Treasury will obtain a copy of the current custody agreement and compare it to what is on file to determine if documents are indeed missing. Timetable—August 1, 2001.

Timetable—December 1, 2001.

Follow-up Response

5/12/03 Purchasing & Contracts Division has been able to negotiate a 25% reduction in fees, but there is still one clause that the attorneys have not agreed upon as of April 28, 2003 (Article Viii, Section 6 (a) - waiving trial by jury). As soon as the agreement is finalized it will be placed on the Agenda for Council approval (estimated no later than 6/18/03).

Department: Detention & Enforcement

Report No.: 1401-0001-02 Audit of Parking Enforcement and Collections

5. 2. Meter Coin Collections

Partially Complete

Recommendation

Management should consider hiring an employee at a lower grade than that of a parking officer to perform meter coin collections. Alternatively, management should consider the cost effectiveness of outsourcing the coin collection function.

Management's Plan of Action

An RFP to consider the cost effectiveness of outsourcing the coin collection function will be initiated.

Follow-up Response

3/10/03 The Department of Detention & Enforcement has requested two positions which are in the budget review process. If approved, these two positions will perform meter coin collections. These two positions will be grade 23, seven grades lower than the Parking Enforcement Officer grade.

4/01/02 Partially complete. Request for personnel has been input in the past two budget cycles. Position(s) unfounded. Request is being re-submitted.

Department: Detention & Enforcement

**Report No.: 2300-0102-05 Special Report: The Animal Foundation International
Review of Financial and Managerial Issues**

2. Licensing System

Partially Complete

Recommendation

The City and AFI should agree upon a single licensing system that both entities are able to access. The system should include the following features:

- system checks for input accuracy, completeness, and access control
- an audit trail to identify the source of data input
- access to historical licensing data from existing systems

Management's Plan of Action

Follow-up Response

2/27/03 The City, as of this date, is very close to implementing a new software program (Chameleon), that will resolve licensing concerns. The city's mainframe licensing system is nearly 30 years old and is not fully functional. As a temporary solution, and in an effort to provide licensing access to both entities, the Animal Foundation has developed an in-house licensing database that the city has access to via the internet.

- (1) There are only 2 people authorized for data entry. This better insures accuracy and completeness.
- (2) As added control, data entry access is assigned.
- (3) All "ARK" and "mainframe" licenses have been entered in this system. The data from this program will NOT be converted into Chameleon because of potential contamination. It will, however, remain intact until the retention period has exhausted.

Department: Detention & Enforcement

Report No.: 2300-0102-05

**Special Report: The Animal Foundation International
Review of Financial and Managerial Issues**

3. Licensing System

Partially Complete

Recommendation

The City and AFI should mutually determine what data should be input into the licensing system, who should perform this function, and source document retention requirements. The licensing system should periodically be checked for accuracy through reconciliation of data to source documents.

Management's Plan of Action

Follow-up Response

2/27/03 Licensing data is pretty much standard regardless of what program is used. Security access is currently in place and assigned by Animal Foundation management. Once Chameleon is operational, individual access and security level will be assigned by the City. Document retention for licensing has been determined at 2 years.

Department: Field Operations

**Report No.: 1999-10 Department of Leisure Services - Recreation Division -
Community Schools**

D. 2. i Turf Maintenance of Public School Sites

Partially Complete

Recommendation

The Open Schools Agreement should be formally amended to properly reflect the division of responsibility for turf maintenance of all public schools.

Management's Plan of Action

The Department of Leisure Services met with the Parks Division Manager in October of 1999 to begin the process as outlined in these recommendations.

The Parks Division Manager will coordinate the effort to amend the Open Schools Agreement to reflect accurate turf maintenance with Clark County School District, Leisure Services Department and Community Schools representatives.

Follow-up Response

4/03/03 The Real Estate and Asset Management Section (David Roark) is responsible for developing the agreements that we have with other entities. We have met with both David Roark's office and representatives from the school district. We have presented what we feel are fair maintenance standards / procedures and areas of responsibility for turf maintenance as it is addressed in the Open Doors Open Schools agreement. The school district does not agree.

5/14/02 I asked Leisure Services to provide me information outlining what "City" programming is done at various elementary schools and what amount of programming time is spent on the open turf area. I defined "City programming" as official City programs that include City staff in the administration/service of the program and the program designed and formulated by City staff. I don't feel the City (Parks Division) should be obligated to maintain CCSD sites at which the City doesn't have "official" programs that utilize the open turf area. There is a meeting scheduled for May 16th, 2002 at which this issue will be discussed. Staff from the City Managers' Office, Leisure Services and Field Operations will be involved. It is my understanding that a formal request to the CCSD to amend the Open Doors Open Schools agreement will be drafted at this meeting.

10/17/01 The only meeting I had with Leisure Services was to ask them if they in fact had programming at the sites listed in the agreement that involved activity on the turf area. My reasoning was that programming only within the school itself should not necessarily equate to the City having responsibility for turf and irrigation maintenance. To my knowledge nothing has been finalized nor submitted to the CCSD. I'll initiate a meeting with Dr. Jackson to discuss this situation and formulate a presentation to the CCSD.

Department: Field Operations

**Report No.: 1999-10 Department of Leisure Services - Recreation Division -
Community Schools**

D. 2. ii Turf Maintenance of Public School Sites

Partially Complete

Recommendation

The Open Schools Agreement should be reviewed and evaluated by the City, Parks Maintenance and Leisure Services management for equity in responsibilities for turf maintenance. Other areas of the Agreement should be reviewed as well. Suggested changes should be communicated to Clark County School District representatives in conjunction with the “formal periodic review” permitted every five years under the Agreement (or sooner if possible).

Management’s Plan of Action

The Department of Leisure Services met with the Parks Division Manager in October of 1999 to begin the process as outlined in these recommendations.

The Parks Division Manager will coordinate the effort to amend the Open Schools Agreement to reflect accurate turf maintenance with Clark County School District, Leisure Services Department and Community Schools representatives.

Follow-up Response

4/03/03 This is the same as the situation in D.2.i (LH) Some progress has been made in that we are no longer accepting maintenance responsibilities for CCSD sites without agreement. Recently we accepted one middle school site and returnen 3 elementary sites to CCSD.

5/13/02 I asked Leisure Services to provide me information outlining what “City” programming is done at various elementary schools and what amount of programming time is spent on the open turf area. I defined “City programming” as official City programs that include City staff in the administration/service of the program and the program designed and formulated by City staff. I don’t feel the City (Parks Division) should be obligated to maintain CCSD sites at which the City doesn’t have “official” programs that utilize the open turf area. There is a meeting scheduled for May 16th, 2002 at which this issue will be discussed. Staff from the City Managers’ Office, Leisure Services and Field Operations will be involved. It is my understanding that a formal request to the CCSD to amend the Open Doors Open Schools agreement will be drafted at this meeting.

10/17/01 The only meeting I had with Leisure Services was to ask them if they in fact had programming at the sites listed in the agreement that involved activity on the turf area. My reasoning was that programming only within the school itself should not necessarily equate to the City having responsibility for turf and irrigation maintenance. To my knowledge nothing has been finalized nor submitted to the CCSD. I'll initiate a meeting with Dr. Jackson to discuss this situation and formulate a presentation to the CCSD.

Department: Field Operations

Report No.: 1503-0102-03 Audit of Fleet and Transportation Services

2. 1. Accountability For Vehicle Abuse

Partially Complete

Recommendation

Fleet Services management should develop and document improved procedures to track abuse of vehicles and thereby hold individual vehicle users more accountable.

Management's Plan of Action

The automated Work Order system will be utilized to document noticeable vehicle or equipment abuse as that equipment comes in for service.

Follow-up Response

3/03/03 This is tied to the HANSEN software system which has not been implemented in the Division. Implementation delay caused by circumstances outside the purview and control of the Division. It is expected that the program will be operational by July 1, 2003.

2. 3. Accountability For Vehicle Abuse

Partially Complete

Recommendation

Fleet Services management should charge departments (and possibly employees) for repairs of damage caused by abuse to city vehicles to promote improved oversight and accountability by city departments and employees.

Management's Plan of Action

We concur that offending Departments should be held financially responsible for all repairs necessary due to documented negligence. This requires a City policy change. Fleet Services does not currently have the authority to arbitrarily charge Departments for vehicle abuse.

Follow-up Response

3/03/03 Policy decision by upper Management is still pending.

Department: Field Operations

Report No.: 1503-0102-03 Audit of Fleet and Transportation Services

2. 4. Accountability For Vehicle Abuse

Partially Complete

Recommendation

Fleet Services should perform an updated labor cost analysis considering both direct and indirect costs to determine a more appropriate labor rate to charge departments for preventable accidents and repair of damage caused by abuse.

Management's Plan of Action

A rate review will be conducted in conjunction with Item #3 below.

Follow-up Response

4/10/03 Partial progress has been achieved based on data gleaned manually from the City's current mainframe system which is being replaced by a new, state of the art system. Upon implementation of the City wide HANSEN project, this component will be more readily achievable which should be by January 2004.

4. 1. Housing Authority Contract

Partially Complete

Recommendation

Fleet Services management should perform a cost analysis of its operations (including both direct and indirect costs) and determine appropriate rates to charge external organizations for labor, parts, and fuel. Based on this analysis, adjustments should be made to fees being charged to the Housing Authority.

Management's Plan of Action

Though we are of the opinion that the City is recovering costs associated with a maintenance contract with the Housing Authority, a detailed review of rates charged to the Housing Authority considering direct and indirect costs is in progress.

Follow-up Response

4/10/03 Rates were partially adjusted upward under the current contract which was renewed on June 30, 2002. Corroborating detailed financial analysis was only partially done due to insufficient availability of financial data. Once the City's new HANSEN database system is fully operational, a more detailed analysis will be completed. This is anticipated by January 2004.

Department: Field Operations

Report No.: 1503-0102-03 Audit of Fleet and Transportation Services

6. 1. Allocation of Work Between Service Centers

Partially Complete

Recommendation

Fleet Services management should evaluate and document how to increase utilization of the West Service Center. As utilization increases, management will need to re-evaluate staffing at the service centers.

Management's Plan of Action

A new Field Operations Center (FOC) is scheduled for construction during Fiscal Year 2002 at the West Service Center. Staff from Streets & Sanitation, TEFO and Parks Open Spaces are to be transferred to this location upon completion. It is expected that an estimated 100 staff and their associated vehicles/equipment are to redeployed from the East Service Center and Satellite # 1 operations center to this location. Additionally, a new Interlocal Vehicle Maintenance Agreement with the County Library District will be in place which will further enhance the West Service Center's use. Once these are in place, utilization of the maintenance facility at the West Service Center will be dramatically increased.

Follow-up Response

3/03/03 A new transfer station at the NWSC is currently under construction. Expected completion date of on or before January 1, 2004. Upon completion, approximately 100+ vehicles/equipment will be transferred to the center. A Swing Shift was included in the Fiscal 2004 Budget request which will increase the operational efficiency of the NWSC.

6. 2. Allocation of Work Between Service Centers

Partially Complete

Recommendation

Fleet Services management in consultation with city departments should regularly analyze assigned vehicle service locations in the fleet management system and assign additional vehicles to the West Service Center as deemed appropriate.

Management's Plan of Action

A review of vehicle assignments based on location is underway.

Follow-up Response

3/03/03 This has been an ongoing exercise. and will be incorporated into the new HANSEN software system by July 1, 2003.

Department: Field Operations

Report No.: 1503-0102-03 Audit of Fleet and Transportation Services

7. 1. Work Order Processing

Partially Complete

Recommendation

Fleet Services management should formally assign responsibility and accountability for the timely closing of work orders at all locations.

Management's Plan of Action

Shop Supervisors, Senior Mechanics and acting-supervisors are responsible for the closing out of work orders.

Follow-up Response

3/03/03 There has been dramatic improvement in the closing of aged work orders. Further efficiencies will be realized with the full implementation of the HANSEN software program anticipated by July 1, 2003.

7. 2. Work Order Processing

Partially Complete

Recommendation

Fleet Services management should regularly review the open work order report for timeliness of processing of work orders.

Management's Plan of Action

An Open Work Order report is sent directly to the Division Manager on a weekly basis.

Follow-up Response

3/03/03 There has been a significant improvement in the closing of Work Orders and the purging of "aged data". Once the HANSEN project is fully implemented, this should become a weekly routine.

Department: Field Operations

Report No.: 1503-0102-03 Audit of Fleet and Transportation Services

8. Underutilized Vehicles

Partially Complete

Recommendation

Fleet Services management should more routinely evaluate and document the usage of city vehicles and recommend to appropriate management the re-assignment of less utilized vehicles.

Management's Plan of Action

Implemented a new fuel tracking report during the course of the audit that highlights "low fuel usage" vehicles (those that consume less than 20 gallons per month in any three month period). Once a continuous pattern has been determined, a collaborative discussion between Fleet Services and the user will take place to maximize the asset's use.

Follow-up Response

3/03/03 Substantial progress has been made in redeploying of City vehicles/equipment and, where applicable, salvaging units for sale at auction. The "old" automated fuel system is currently being replaced with a sophisticated state of the art fuel system which will dramatically enhance the Manager's ability to monitor fuel usage across the entire fleet at any given point in time. This new system is expected to be fully operational by April 1, 2003.

9. 1. Compressed Natural Gas (CNG) Usage Tracking

Partially Complete

Recommendation

Fleet Services management should request that changes be made to the CNG fuel tracking system used by the City to allow for tracking of CNG fuel usage by both vehicle and individual city employees.

Management's Plan of Action

The contractor has agreed to make the suggested changes to their data base to track CNG use more specifically.

Follow-up Response

3/03/03 Haycock Petroleum, the vendor the City contracts with through an Interlocal Agreement with the Regional Transportation Commission, recently completed an automated electronic billing document that is transmitted directly to Finance for billing and auditing purposes. There are some glitches but most of the requirements i.e. assigned vehicles to Department/Division have been completed. Still having issues with specific driver's names but should have this addressed within the next 60 days.

Department: Field Operations

Report No.: 1503-0102-03 Audit of Fleet and Transportation Services

9. 2. Compressed Natural Gas (CNG) Usage Tracking

Partially Complete

Recommendation

Each CNG dispenser access card issued should have a unique PIN number and these PIN numbers should be kept confidential. The PIN numbers should not be written on the carrying sleeves.

Management's Plan of Action

The contractor has agreed to change their data base to reflect PIN specific to each individual fueling on CNG.

Follow-up Response

3/03/03 This has not yet been fully completed. Vendor has agreed to make the changes but have experienced some programming issues and employee turnover which has delayed its implementation. Expect to have resolved within the next 60 days.

Department: Finance & Business Services

Report No.: 1999-01 Office Supplies Contract Special Audit

4. b Vendor Performance

Partially Complete

Recommendation

The responsibilities of vendor performance monitoring and evaluation should be clearly defined and assigned.

Management's Plan of Action

The P&C Division agrees that a formal vendor performance, monitoring and evaluation program would be very helpful. Unfortunately, a significant limitation in this area is the absence of a centralized receiving and quality control function within the city. Furthermore, while Oracle supports vendor performance tracking regarding delivery times, it is not capable of tracking objective evaluations on the quality of the material or services. The P&C Division agrees that more attention should be placed on contract administration, but disagrees with the recommendation to establish a separate contract administration function. Buyers and contract specialists are already tasked to procure and administer their procurements. The P&C Division will focus more attention on this important function. A step towards this effort is the "Post-Award Audit Review" identified in the new Procurement Review process (see Attachment A).

Follow-up Response

3/07/03 Procedures drafted by prior Manager are under review by new P&C Manager.

5/01/02 The Purchasing and Contracting Division has drafted a contract management policy and procedure that assigns responsibility for monitoring vendor performance to the designated contract administrator. A new city wide process for drafting, reviewing, and approving policies and procedures has been delayed due to an administrative reorganization. The Finance Department will take the initiative to disseminate our draft documents for review and comment, and ask that the City Manager approve into formal implementation. The dissemination vehicle will be the department's Tribune Intranet web site, and other departments will be expected to print and disseminate copies as needed to those who do not have Intranet access. The Finance Department expects this can be accomplished by June 30, 2002.

10/19/01 Draft Contract Management/Administration policy is under review and will be processed through the City's Policies and Procedures Approval System.

Department: Finance & Business Services

Report No.: 1999-01 Office Supplies Contract Special Audit

6. a Purchasing Policy And Procedures

Partially Complete

Recommendation

Purchasing and Contracts management should seek input from the buyers and the user departments to ensure the purchasing manual provides clear guidance and instructions for the purchasing function.

Management's Plan of Action

The Purchasing & Contracts Division concurs with the recommendation and is currently in the process of creating new City-wide policies and procedures. Drafts have already been completed and will be submitted to the City Manager for approval in the next 90 days.

Follow-up Response

3/07/03 Procedures drafted by prior Manager are under review by new P&C Manager

5/02/02 The Purchasing and Contracting Division has drafted eighteen policy and procedure documents. A new city wide process for drafting, reviewing, and approving policies and procedures has been delayed due to an administrative reorganization. The Finance Department will take the initiative to disseminate our draft documents for review and comment, and ask that the City Manager approve into formal implementation. The dissemination vehicle will be the department's Tribune Intranet web site, and other departments will be expected to print and disseminate copies as needed to those who do not have Intranet access. The Finance Department expects this can be accomplished by June 30, 2002.

10/19/01 Awaiting implementation of citywide policies and procedures process.

Department: Finance & Business Services

Report No.: 2000-01 Citywide Payroll Process

B. 2. i Payroll Reports

No Progress

Recommendation

Payroll staff should seek input from City departments on the types of reports and improvements in current reports needed to appropriately monitor their labor hours and costs.

Management's Plan of Action

The Accounting Division is in the process of developing and implementing a new time and attendance / labor distribution system purchased from Tru Trac. The implementation team crosses many departments and divisions, whose input will be sought for development of necessary and useful management reports. This new system will allow departments and divisions to establish work schedules and track hours worked and leave taken against those schedules, as well as track labor distribution costs. This system's database will be fully interfaced with Oracle Financials (Human Resources, Payroll, and General Ledger modules). Accounting will not write reports from the legacy system, but rather will expend that effort on the new Tru Trac system.

Follow-up Response

2/25/03 Deficiencies were unable to be corrected by vendor. Arrangements are in process to close out the current contract in exchange for a new rules based product which put the majority of the control back in CLV's hands, so we may avoid this problem in the future. Roll out is estimated to start in May 2003.

5/01/02 Citywide response to the TruTrack training was tremendous with respect to its reporting flexibility. Unfortunately, the testing revealed deficiencies that are currently being corrected by the developer, and phased deployment is anticipated to begin in July 2002.

10/04/01 We are in the process of rolling out Tru-Track for the summer of 2001. Attention will be given to assisting the departments in finding, using and creating reports that meet their particular needs.

Department: Finance & Business Services

Report No.: 2000-01 Citywide Payroll Process

B. 2. ii Payroll Reports

No Progress

Recommendation

Payroll staff should communicate more effectively to City management the payroll information and reports that are currently available.

Management's Plan of Action

The Accounting Division is in the process of developing and implementing a new time and attendance / labor distribution system purchased from Tru Trac. The implementation team crosses many departments and divisions, whose input will be sought for development of necessary and useful management reports. This new system will allow departments and divisions to establish work schedules and track hours worked and leave taken against those schedules, as well as track labor distribution costs. This system's database will be fully interfaced with Oracle Financials (Human Resources, Payroll, and General Ledger modules). Accounting will not write reports from the legacy system, but rather will expend that effort on the new Tru Trac system.

Follow-up Response

02/25/03 Deficiencies were unable to be corrected by vendor. Arrangements are in process to close out the current contract in exchange for a new rules based product which put the majority of the control back in CLV's hands, so we may avoid this problem in the future. Roll out is estimated to start in May 2003.

5/01/02 Citywide response to the TruTrack training was tremendous with respect to its reporting flexibility ease of use. Unfortunately, the testing revealed deficiencies that are currently being corrected by the developer, and phased deployment is anticipated to begin in July 2002.

10/04/01 We are in the process of rolling out Tru-Track for the summer of 2001. Attention will be given to assisting the departments in finding, using and creating reports that meet their particular needs.

Department: Finance & Business Services

Report No.: 2000-01 Citywide Payroll Process

C. 2. i Incentive Compensation For Appointive Employees No Progress

Recommendation

Finance should communicate to department directors a fixed dollar amount each year for the merit increases for all of their appointive employees.

Management's Plan of Action

We agree with the finding that a fixed dollar amount for each department to use for appointive merit increases is a better management tool and that moving toward a once a year review period for appointive employees will help departments to better manage and measure their merit awards.

Follow-up Response

2/25/03 No Progress

5/01/02 The Budget & Finance Division has not implemented a fixed dollar budget for department labor and related benefits. The current legacy budgeting tool, SALPRO, does not support this approach. As we move toward replacing SALPRO with a new system, heavy consideration will be given towards this approach. No definitive time frame currently exists for that transition.

10/04/01 Has not been implemented. Still under consideration by City Manager; however, there are currently not tools in place to provide adequate management and control of such a change.

Department: Finance & Business Services

Report No.: 1401-0001-02 Audit of Parking Enforcement and Collections

1. 1. Delinquent Parking Citation Collections

Partially Complete

Recommendation

We recommend that the Parking Collections Unit establish a formal delinquent parking fines and penalties collection program including the use of an automated case tracking system. City management should evaluate the internal resources necessary to operate a successful collections program and consider soliciting the services of a collection agency to further enhance their efforts.

Management's Plan of Action

Agree with the above recommendations. An additional collections officer has been budgeted for fiscal year 2001 and employment began on August 17, 2000. Furthermore, the City is also soliciting bids from collection agencies in connection with EMS bad debts. The EMS RFP will serve as a reference for another RFP that will consolidate various other departments that need collection services—which would include parking collections. Finance will work with IT on the use of an automated case tracking system. An investigation of commercial-off-the-shelf and in-house solutions will be conducted.

Follow-up Response

3/07/03 The City solicited RFPs from various collection agencies in order to increase the effectiveness of the collection program. Credit Bureau Central was selected as the collection agency to handle the EMS collections. The agreement with Credit Bureau Central was amended to also include the assignment of outstanding parking citations. Currently, Credit Bureau Central is handling all outstanding parking citations issued to a California license plate. Citations issued to other state license plates, as well as outstanding citations issued to rental vehicles, are currently under review. Several commercial off-the-shelf parking software programs have been investigated. Cardinal Tracking offers numerous benefits including automated case tracking and the automation of the hearings scheduling process. A project initiator was signed on February 28, 2002 to set aside funding. In addition a project charter for the replacement of the Parking-Legacy program was signed on February 13, 2003.

5/01/02 The City hired a new collection officer August 2000, and is now using the EMS collection agency to pursue out-of-state collections (The DMV “hold” program is very effective for in-state collections). Additionally, we are currently reviewing a parking collections software package for case tracking.

Department: Finance & Business Services

Report No.: 1401-0001-02 Audit of Parking Enforcement and Collections

6. 1. Parking System Limitations

Partially Complete

Recommendation

The Parking Collections Unit, working with IT, should continue efforts to move the parking system to a Windows environment.

Management's Plan of Action

Agree. Per Information Technologies, commercial-off-the-shelf Parking applications are available. A feasibility study, and resulting requirements analysis and RFP will be investigated to address these issues.

Follow-up Response

3/06/03 The Parking Collections Unit, IT and Parking Management have reviewed several commercial off-the-shelf parking applications. A project initiator was signed on February 28, 2002 to set aside funding. In addition, a project charter for the replacement of the Parking-Legacy program was signed on February 13, 2003. A proposal has been submitted from Cardinal Tracking for the cost of implementation.

5/01/02 Efforts are ongoing with the Finance & Business Services and Information Technologies Departments to select a new system for parking collections, and fiscal year 2003 funding has been set aside for that purpose.

Department: Finance & Business Services

Report No.: 1401-0001-02 Audit of Parking Enforcement and Collections

6. 2. Parking System Limitations

Partially Complete

Recommendation

Parking should work with IT to develop transaction receipts that automatically include the change due to a customer on the receipt. A sign should be posted in the lobby of the Parking Hearings and Citation Office that encourages customers to request a receipt if they are not given one. The Parking Collections Unit should also work with IT to develop the capability of accessing parking case records by transaction receipt numbers.

Management's Plan of Action

Agree. Per Information Technologies, commercial-off-the-shelf Parking applications are available. A feasibility study, and resulting requirements analysis and RFP will be investigated to address these issues.

Follow-up Response

3/06/03 The Parking Collections Unit, IT and Parking Management has reviewed several commercial off-the-shelf parking applications. A project initiator was signed on February 28, 2002 to set aside funding. In addition, a project charter for the replacement of the Parking-Legacy program was signed on February 13, 2003. A proposal has been submitted from Cardinal Tracking for the cost of the implementation. In addition, a sign has been posted at the clerks' windows in the Parking & Hearings Office, advising customer that if they were not given a receipt to request a copy of their receipt.

5/01/02 Efforts are ongoing with the Finance & Business Services and Information Technologies Departments to select a new system for parking collections, and fiscal year 2003 funding has been set aside for that purpose.

Department: Finance & Business Services

Report No.: 1401-0001-02 Audit of Parking Enforcement and Collections

9. 3. Parking Planning, Coordination, and Oversight

Partially Complete

Recommendation

Improved monthly internal reports should be created that effectively communicate parking information to all City divisions involved in parking issues. Input on what data to include in these reports should be sought from all parties involved. Distribution of these reports should be expanded to include all parties involved in parking decisions.

Management's Plan of Action

Agree with recommendation. Will establish a formal parking quarterly report that will parallel the City's current Quarterly Revenue Report and Investment Report. This new report will be user friendly and will incorporate multiple years of trend analysis in both the financial and non financial areas.

Follow-up Response

3/06/03 The draft report has been revised to include the new parking garages and the finalized report should be available in August 2003.

5/01/02 Meetings were held that resulted in enhancements to the parking reports. A draft report is currently available, and a finalized report should be available in September 2002.

Department: Finance & Business Services

Report No.: 1401-0001-02 Audit of Parking Enforcement and Collections

11. 1. Handicap Space Violation Fines And Penalties

Partially Complete

Recommendation

City management should study this issue and seek clarification from the State on how to appropriately enforce City Ordinance 11.10.170 and NRS 484.408 and consider assessing escalating fines for repeat handicap space violators within the City.

Management's Plan of Action

With the changes to NRS 484.408, that went into effect on October 1, 1999 making the infraction a misdemeanor, the whole issue of disabled parking will be investigated and appropriate steps taken in line with current guidelines, policy, and NRS.

Follow-up Response

3/06/03 The City Attorney is still actively reviewing the handicap issue as it pertains to NRS 484.408 and City Ordinance 11.10.170. The second and third offense for repeat violators requires community service per NRS 484.408 and these cannot be implemented under the current civil process used for parking violations. Some of the issues still being addressed are: handicap citations would have to be a criminal matter, not civil, and would have to be handled through Municipal Court. Municipal Court would have to agree to the handling of parking citations again and to work the violators into the community service program.

5/01/02 The City Attorney's Office is rewriting the ordinance to comply with the NRS. As soon as that is complete and in effect, the Parking Enforcement Unit will identify the second and third offenses on the citations. Upon review of this recommendation, the NRS will require subsequent offenses be prosecuted as misdemeanors in Municipal Court.

Department: Finance & Business Services

Report No.: 1401-0001-02 Audit of Parking Enforcement and Collections

11. 2. Handicap Space Violation Fines And Penalties

Partially Complete

Recommendation

The City should begin assessing late payment penalties for handicap space violators similar to those penalties currently being assessed for other violations.

Management's Plan of Action

With the changes to NRS 484.408, that went into effect on October 1, 1999 making the infraction a misdemeanor, the whole issue of disabled parking will be investigated and appropriate steps taken in line with current guidelines, policy, and NRS.

Follow-up Response

3/06/03 The City Attorney's Office has completed an ordinance revision that will allow the City to double and triple the original fine as a penalty amount on a handicap parking citation. The ordinance revision is currently being reviewed by the Finance Director and Parking Manager, at which time it will be placed on the agenda for the City Council to approve.

5/01/02 The Parking Collections Unit is currently doubling the fine on the first offense as a late payment penalty. The City Attorney's Office is developing an ordinance change that will allow the City to triple the fine as a late penalty on the third offense.

Department: Finance & Business Services

Report No.: 1401-0001-02 Audit of Parking Enforcement and Collections

14. 1. Parking Hearings

Partially Complete

Recommendation

The Parking Collections Unit should work with IT in automating the hearings scheduling process as currently exists in the Municipal Court. Reports for hearings should automatically be generated from the parking system.

Management's Plan of Action

Agree. IT will be contacted to discuss software that would automate the hearing scheduling process.

Follow-up Response

3/06/03 As mentioned in the follow-up responses to 1.1, 6.1 and 6.2, the Parking Collections Unit, IT and Parking Management have reviewed several commercial off-the-shelf applications. A project initiator was signed on February 28 2002 to set aside funding. In addition, a project charter for the replacement of the Parking-Legacy program was signed on February 13, 2002. The current vendor being reviewed has the ability to schedule, track and manage the hearing process.

5/01/02 As mentioned in follow-up response to 6.1, efforts are ongoing with the Finance & Business Services and Information Technologies Departments to select a new system for parking collections, and fiscal year 2003 funding has been set aside for that purpose. The system currently under scrutiny will have the ability to schedule, track, and manage the hearing process.

Department: Finance & Business Services

**Report No.: 1501-0102-02 Audit of Wastewater Pollution Control Facility
and Sewer Services**

A. 1. 1. North Las Vegas Wastewater Treatment Fees

Partially Complete

Recommendation

Public Works and Finance should more effectively manage its agreement with NLV.

Management's Plan of Action

Staff concurs with the reported condition that the ERU calculations of the city of North Las Vegas (NLV) do not seem to adequately reflect their volume of wastewater. In the fall of 2000, the city of Las Vegas (LV) began negotiations with NLV to resolve these issues. Subsequently, the Finance and Public Works Departments of LV and NLV have reached an agreement in principal that the operating and capital costs of the Wastewater Pollution Control Facility (WPCF) should be shared on the percentage of flow rather than an ERU basis. Capital costs (both debt and cash financed) will be amortized over 20 years and combined with the annual operating costs to determine the shared costs downstream from the NLV interceptor. Additional triggers need to be negotiated for potential variations in the strength of the wastewater, as well as other possible developments such as the construction of water reclamation facilities by NLV. Public Works will meet with Finance to develop a contract review committee and decide what significant contracts need to be monitored and how to do that.

Follow-up Response

5/12/03 The Interlocal with North Las Vegas has not been finalized as the creation of the Clean Water Coalition joint powers agreement must now be incorporated as well. We expect this to be accomplished by June 30, 2003.

Department: Finance & Business Services

**Report No.: 1501-0102-02 Audit of Wastewater Pollution Control Facility
and Sewer Services**

A. 1. 2. North Las Vegas Wastewater Treatment Fees

Partially Complete

Recommendation

Finance should evaluate NLV's contributions to capital expenditures and plant deterioration costs to insure equity.

Management's Plan of Action

Staff concurs with the reported condition that the ERU calculations of the city of North Las Vegas (NLV) do not seem to adequately reflect their volume of wastewater. In the fall of 2000, the city of Las Vegas (LV) began negotiations with NLV to resolve these issues. Subsequently, the Finance and Public Works Departments of LV and NLV have reached an agreement in principal that the operating and capital costs of the Wastewater Pollution Control Facility (WPCF) should be shared on the percentage of flow rather than an ERU basis. Capital costs (both debt and cash financed) will be amortized over 20 years and combined with the annual operating costs to determine the shared costs downstream from the NLV interceptor. Additional triggers need to be negotiated for potential variations in the strength of the wastewater, as well as other possible developments such as the construction of water reclamation facilities by NLV. Public Works will meet with Finance to develop a contract review committee and decide what significant contracts need to be monitored and how to do that.

Follow-up Response

5/12/03 These concerns will be addressed in the new Interlocal (June 30, 2003) as described in A.1.1. response.

Department: Finance & Business Services

**Report No.: 1501-0102-02 Audit of Wastewater Pollution Control Facility
and Sewer Services**

A. 1. 3. North Las Vegas Wastewater Treatment Fees

Partially Complete

Recommendation

Finance should renegotiate the rates being charged to NLV to cover the costs associated with treating their wastewater, facility maintenance, and allocable capital expenditures.

Management's Plan of Action

Staff concurs with the reported condition that the ERU calculations of the city of North Las Vegas (NLV) do not seem to adequately reflect their volume of wastewater. In the fall of 2000, the city of Las Vegas (LV) began negotiations with NLV to resolve these issues. Subsequently, the Finance and Public Works Departments of LV and NLV have reached an agreement in principal that the operating and capital costs of the Wastewater Pollution Control Facility (WPCF) should be shared on the percentage of flow rather than an ERU basis. Capital costs (both debt and cash financed) will be amortized over 20 years and combined with the annual operating costs to determine the shared costs downstream from the NLV interceptor. Additional triggers need to be negotiated for potential variations in the strength of the wastewater, as well as other possible developments such as the construction of water reclamation facilities by NLV. Public Works will meet with Finance to develop a contract review committee and decide what significant contracts need to be monitored and how to do that.

Follow-up Response

5/12/03 These concerns will be addressed in the new Interlocal (June 30, 2003) as described in A. 1.1. response.

Department: Finance & Business Services

**Report No.: 1501-0102-02 Audit of Wastewater Pollution Control Facility
and Sewer Services**

B. 2. 1. Sewer Fee Billings

No Progress

Recommendation

Sewer Services management should change the sewer services billing to a quarterly billing cycle and adjust the penalty policies to align with this change.

Management's Plan of Action

The Business Services Division (BSD) is recommending a proposed Municipal Code change to a quarterly billing cycle where the penalty fee would be assessed on the outstanding balance for the quarter rather than the unpaid balance of the bill. These code changes are projected for implementation around October 2001.

Regarding the incorporation of sewer fees into annual property taxes, we do not believe it is economically or operationally feasible at this time. We estimate that our cost to perform the billing function (including treasury, technology, sewer billing, and mail room support) does not exceed \$250,000 annually. Obviously, this cost is passed on to the property owners in the form of sewer rates. The Nevada Revised Statutes (NRS) would need significant revision to allow the County to include routine City sewer bills with the property tax. Such a change would also require a change in the City billing cycle which is currently based on the start of service, not on the fiscal tax year. Since the NRS currently provides for a 4 percent surcharge by the County Treasurer for the delinquent sewer service charges it collects on the annual property tax roll, it is difficult to imagine they would be willing to handle all sewer billings for less than that statutory rate. Note that this 4 percent fee is passed on to the property owner. If all charges were billed through the County Treasurer, their estimated fees would approach \$1.5 million, far exceeding what the property owners currently pay for City billing service. The City would still be responsible for inspections and customer service inquiries, functions that the County will not be able to execute. Consequently, the Business Services Division does not see an advantage for the rate-payer in using the County Treasurer for all billings at this time.

Follow-up Response

3/07/03 The administrative change to quarterly billing requires a change to the Municipal Code. This is intended to be completed at the same time that the Hansen software program is implemented, which is likely to be in the year 2004.

Department: Finance & Business Services

**Report No.: 1501-0102-02 Audit of Wastewater Pollution Control Facility
and Sewer Services**

B. 4. 1. Performance Reports

Partially Complete

Recommendation

Sewer Services should create a monthly performance report with additional performance data needed by upper management.

Management's Plan of Action

As mentioned, the BSD anticipates converting the current sewer billing system to the Oracle-based Hansen Industries system. The new system, fully integrated with the planning, building inspection, public works, business licensing, and finance functions, will allow for the creation of many different management reports. In order to best allocate personnel resources (both BSD and Information Technology), no changes will be made to the legacy system, but rather the improved management reports will be focused on the new Hansen system when it is brought up in late Fall, 2002.

Follow-up Response

3/07/03 The implementation of Hansen for sewer service billing has been pushed back likely into the year 2004. The same strategy exists today. In progress.

B. 4. 2. Performance Reports

Partially Complete

Recommendation

For information that is not easily accessible from the sewer service system, Sewer Services should work with Information Technologies to access this data.

Management's Plan of Action

As mentioned, the BSD anticipates converting the current sewer billing system to the Oracle-based Hansen Industries system. The new system, fully integrated with the planning, building inspection, public works, business licensing, and finance functions, will allow for the creation of many different management reports. In order to best allocate personnel resources (both BSD and Information Technology), no changes will be made to the legacy system, but rather the improved management reports will be focused on the new Hansen system when it is brought up in late Fall, 2002.

Follow-up Response

3/07/03 The implementation of Hansen for sewer service billing has been pushed back likely into the year 2004. The same strategy exists today. In progress.

Department: Finance & Business Services

Report No.: 601-0102-04 Audit of City Investments

6. 1. Proficiency / Training of Backup Investment Personnel Partially Complete

Recommendation

The Treasury Division should have backup personnel trained in all aspects of the investment process and systems.

Management's Plan of Action

Treasury agrees that additional backup training is needed due to the limited number of professional staff assigned to the office.

Follow-up Response

3/03/03 The Treasury Division's Financial Analyst II assigned the backup function now has access to the Sympro investment software and to the Bloomberg financial computer. In addition, a Daily Investment Transaction binder listing the upcoming monthly transactions is maintained.

Report No.: 2002-0102-10 Audit of Professional Services Contracts

1. 1. Professional Services Policy and Procedures Partially Complete

Recommendation

Purchasing should review, finalize, and seek formal approval of its professional services policy and procedures.

Management's Plan of Action

A new city wide process for drafting, reviewing, and approving policies and procedures has been delayed due to an administrative reorganization. Consequently, the Finance Department will take the initiative to disseminate department draft documents for review and comment, and ask that the City Manager approve into formal implementation. The Finance Department expects this can be accomplished by June 30, 2002.

Follow-up Response

3/07/03 The draft of a City Council Resolution is under final review by CAO which defines authority to execute contracts and a draft policy and procedure for professional services contracting is complete and under review by Finance and Business Services Management.

Department: Finance & Business Services

Report No.: 2002-0102-10 Audit of Professional Services Contracts

1. 2. Professional Services Policy and Procedures

Partially Complete

Recommendation

Once the professional services policy and procedures are authorized, Purchasing should formally notify and require all city departments to adopt and comply with the approved policy and procedures.

Management's Plan of Action

The dissemination vehicle will be the department's Tribune Intranet web site, and other departments will be expected to print and disseminate copies as needed to those who do not have Intranet access. The Finance Department expects this can be accomplished by June 30, 2002.

Follow-up Response

3/07/03 The draft policy and procedure for professional services contracting is complete and under review by Finance and Business Services Management. Upon concurrence, the policy will be submitted for review by the City Manager's Office and, upon approval, subsequently disseminated to City personnel.

2. 1. Application of Professional Services Policy

Partially Complete

Recommendation

Purchasing should provide clear guidance to city departments to assist them in determining what services qualify as professional services and are therefore exempt from public bid and what services are subject to public bid.

Management's Plan of Action

Management is reluctant to define professional services more stringently than the Nevada Revised Statute because we believe the Nevada Legislature purposely provided discretion to the local government. There are several Nevada Attorney General opinions that have been used to frame the definition, and we believe that definition coupled with guidance from the Purchasing & Contracts Division and the addition of examples to the policy statements are sufficient for this purpose. The Policy will be clear about who has the final authority to determine professional services. The Finance Department expects the policy will be published by June 30, 2002.

Follow-up Response

3/07/03 The draft policy and procedure for professional services contracting establishes the P&C Manager as the City's authorized representative to determine if services meet the definition of professional services. The draft policy and procedure are under review by Finance and Business Services management.

Department: Finance & Business Services

Report No.: 2002-0102-10 Audit of Professional Services Contracts

2. 4. Application of Professional Services Policy

Partially Complete

Recommendation

Purchasing should meet with Accounting to determine if the chart of accounts for professional services could be more closely aligned with the definition of professional services.

Management's Plan of Action

The Purchasing and Accounting Division have determined that the chart of accounts would not help identify PSAs. Instead, Purchasing will preface the Oracle purchase order header with the prefix, "PSA". From this prefix, we can run reports to identify PSA's for future review and audits. The prefacing of purchase order headers will be accomplished by June 14, 2002.

Follow-up Response

3/07/03 This action plan was made by prior management and is under review by the new P&C Manager.

3. 1. Selection and Evaluation of Services Providers

Partially Complete

Recommendation

Purchasing should establish adequate controls to ensure professional services are acquired in compliance with the City's policy and procedures.

Management's Plan of Action

The Purchasing & Contracts Division concurs with the recommendation, and anticipates implementation by June 30, 2002.

3/07/03 The draft of a City Council Resolution is under final review by CAO which defines authority to execute contracts and a draft policy and procedure for professional services contracting is under review by Finance and Business management.

Department: Finance & Business Services

Report No.: 2002-0102-10 Audit of Professional Services Contracts

3. 2. Selection and Evaluation of Services Providers

No Progress

Recommendation

A service provider selection form should be designed by Purchasing for use by city departments to document their basis for selecting a service provider.

Management's Plan of Action

The Purchasing & Contracts Division concurs with the recommendation, and anticipates implementation by June 30, 2002.

Follow-up Response

3/07/03 This recommendation and action plan agreed to by prior management is under review by the new P&C Manager.

3. 5. Selection and Evaluation of Services Providers

No Progress

Recommendation

Purchasing should design a generic contractor performance evaluation form for use by city departments to document the performance of service providers on an annual basis. City departments may customize the generic form to meet their specific needs and should consider the evaluation in the future selection of service providers.

Management's Plan of Action

The Purchasing & Contracts Division concurs with the recommendation, and anticipates implementation by June 30, 2002.

Follow-up Response

3/07/03 The action plan previously agreed to by former management is under review by the new P&C Manager.

Department: Finance & Business Services

Report No.: 2002-0102-10 Audit of Professional Services Contracts

3. 6. Selection and Evaluation of Services Providers

No Progress

Recommendation

Management of city departments should be required to review and approve all service provider selection, sole-source justification, conflicts of interest disclosure, and contractor performance evaluation before sending the forms to Purchasing.

Management's Plan of Action

The Purchasing & Contracts Division concurs with the recommendation, and anticipates implementation by June 30, 2002.

Follow-up Response

3/07/03 This action plan previously agreed to by former management is under review by the new P&C Manager.

5. 1. Professional Services Contract

Partially Complete

Recommendation

Purchasing should provide specific guidance with regard to contract requirements for the acquisition of professional services.

Management's Plan of Action

Concur, pursuant to Management Responses to RECOMMENDATIONS 1, 2, and 3. Action should be implemented by June 30, 2002.

Follow-up Response

3/07/03 This recommendation and action plan will be closed upon approval and implementation of the draft City Council Resolution which defines the authority for executing contracts and the professional services policy and procedures which will be disseminated when approved by the City Manager's Office.

Department: Finance & Business Services

Report No.: 2002-0102-10 Audit of Professional Services Contracts

5. 4. Professional Services Contract

Partially Complete

Recommendation

City departments should be required to forward all professional services contracts to Purchasing for retention.

Management's Plan of Action

The Purchasing and Contracts Division is proposing a matrix approach that will require the Division establish the policy, procedure, forms, and guidelines, and allow for some authority on the part of department management to enter into professional service agreements. Action should be implemented by June 30, 2002. The procedure will require departments and divisions forward their contract documentation for those less than or equal to \$25,000 to the Purchasing & Contracts Division for retention. The City Clerk and/or the Purchasing & Contracts Division currently retain contracts in excess of \$25,000.

Follow-up Response

3/07/03 The draft City Council Resolution addresses contract record retention and designates the Office of the City Clerk as the official public record holder for contracts that are approved by the City Council. The Resolution designates the P&C Division as the official public record holder for contracts that do not require the approval of City Council. This action will be complete upon adoption of the Resolution.

Department: Finance & Business Services

Report No.: 2002-0102-10 Audit of Professional Services Contracts

6. 1. Business License Requirement

Partially Complete

Recommendation

Purchasing and Business Licensing should develop controls to ensure city departments only engage contractors with the required city business license for professional services.

Management's Plan of Action

The Purchasing & Contracts and Business Services divisions implemented a process to verify business licenses for all firms and individuals who are seeking contracts with the City in excess of \$25,000. This program has been very successful. Due to the fact that Purchasing & Contracts does not get involved with contracts at or below \$25,000, verification has not been taking place. The revised policy and procedure will require requesting departments, as part of completing the template for source justification documentation, to obtain the City business license number from the selected source. If one is not provided, the department will be instructed to confer with the Business Services Division to determine if one is needed. Many consultants perform work outside of Las Vegas and deliver documents by mail or email, or sub-contract their work to local businesses that may already have city business licenses. In those cases, Municipal Code may not require these consultants to have City business licenses. Action should be implemented by June 30, 2002.

Follow-up Response

3/07/03 As an interim corrective action, P&C staff are notifying departments and contractors/consultants of the business license requirement and providing the Business License Division phone and website contact information. The new P&C Manager will work with the Business License Manager and Director of Finance and Business Services to determine other actions to address business licensing.

Department: Fire & Rescue

Report No.: 1999-08 Fire & Rescue Services

B. 2. ii Response Time Standards

Partially Complete

Recommendation

The City should establish and implement a response time standard in the Ordinance for Alpha level calls.

Management's Plan of Action

When the original franchise ordinance and agreement were developed it was the intent of the Department to have a response time standard for Alpha level calls. Unfortunately, this could not be negotiated at that time.

Follow-up Response

3/10/03 The current ordinance has been amended to state the following: "For all non-emergency calls dispatched through the FAO, response time requirements shall be determined by the AOC." The AOC (Ambulance Oversight Committee) has not set response time requirements.

4/26/02 This status remains the same as stated in Chief Riddle's 10/19/01 response listed above.

10/19/01 The new ambulance franchise includes a provision to impose a response time standard for Alpha level calls through the Administrative Oversight Committee (AOC). At this point response times have been averaging twenty (20) minutes, which is acceptable, and a response time standard has not been imposed. At some point if response times to Alpha level calls become unacceptable, the City can impose a response time standard.

Department: Fire & Rescue

Report No.: 1999-08 Fire & Rescue Services

C. 2. Battalion Chief Job Description

Partially Complete

Recommendation

The Deputy Chiefs should specifically develop, document, and revise their Battalion Chief responsibilities.

Management's Plan of Action

Our current generalized class specification for Battalion Chief (BC) was developed in the mid-eighties, as a strategy to increase qualified applicants' interest in the BC position. Prior to that time, each BC position was separated within the Civil Service class spec system. Recruitment for jobs such as Support Services chief was problematic; in part due to the reasons noted in IV. C. 3. The individual BC positions noted in this item have areas of responsibility and specific assignments defined by their respective Deputy Chiefs. This is formalized to some extent by the City's CDAP process, but is otherwise left to the discretion of the individual Deputies.

Follow-up Response

4/07/03 Staff has recently re-written the department's strategic plan which addresses the need to update of all classification specifications, job-related duties, responsibilities for all positions including the Battalion Chiefs. This process is currently in the works. We expect the Battalion Chiefs position information to be updated by January 31, 2004.

4/26/02 This is entirely pending on the Supervisory negotiations.

10/19/01 Fire and Rescue's position on this recommendation remains the same as before, although with the supervisory contract due to expire this fiscal year, the negotiation process may present an opportunity for some functional adjustments. Staff is in the process of reviewing its current structure and considering the possibility of making adjustments regarding both the 40-hour and 56-hour battalion chief positions.

Department: Fire & Rescue

Report No.: 1999-08 Fire & Rescue Services

D. 1. i Class Scheduling

Partially Complete

Recommendation

Fire and Rescue should implement a training plan that requires minimal deviations.

Management's Plan of Action

The department cannot implement the recommendation with current staffing and equipment levels. The department implemented a "training shift" similar to the auditor's recommendation and the issue was successfully grieved by the labor union, primarily based on arbitrary changing of work schedules. The auditor's recommendation could be followed if additional staff were made available, and could be used to replace existing staff during training periods. The Clark County Health District mandates Emergency Medical Technician re-certification training by each member of the department once every two years. Of all the required training, this is one of the highest priorities and is a cornerstone on which the two-year calendar is designed. EMS re-certification is always conducted during the first four months of the schedule in order to allow the most time for any necessary make-ups or remedial training. The remaining twenty months are designated for different topics and training is conducted in "modules". Each day, groups of companies participate in their training module for the month while on a "delayed response" status, meaning if there is a large magnitude emergency, training is canceled and units respond to the incident because no additional staff is available to cover the emergency. Currently, training staff works Monday through Friday from 8 AM to 4 PM. This leaves a forty-hour time block once per week into which all training must fit. This does not include time for lunch and breaks. There is no time on the calendar for extra training or events without causing an overtime situation for instructors. Until more staff can be acquired, deviations from the training calendar are unavoidable.

Follow-up Response

4/07/03 In order to accomplish this recommendation, we would need to conduct certain training back at the stations. However, this would require three (3) additional training officers for the "hands on" training required for NFPA and Department certifications. OSHA mandated certifications can be done via the computer, but NFPA and Department certifications do require "hands on" training. Currently, we have training officers which are continuously encumbered with the Fire Recruit Academies which limits the involvement in the training described above. The additional three (3) training officers were requested in the FY04 budget.

4/26/02 There has been no progress with this item. We have acquired three (3) new Fire Training Officers this fiscal year but they are assigned to the rookie academies for the next year.

10/19/01 We have not implemented the "training shift" or ever attempted due to lack of staff. The current training staff works both 8-5 or 8-4 depending on the position and classification.

Department: Fire & Rescue

Report No.: 1999-08 Fire & Rescue Services

D. 1. ii Class Scheduling

Partially Complete

Recommendation

With a training shift, the Department should limit driving fire apparatus to the training facility.

Management's Plan of Action

Currently, fire apparatus is driven to the training center primarily so that crews can be available for response in the event of increased call volume or an incident of large magnitude. Other reasons for driving apparatus to the training facility includes driver training for engineer candidates and certified drivers, and the coordination of monthly maintenance and training schedules of affected companies. With a separate training shift, driving fire apparatus to the training facility would be less likely to occur.

Follow-up Response

4/07/03 This item has been partially addressed with the new internet-based Target Safety training course. The Target Safety program was initiated in January, 2003 and is initially projected to accomplish 35 - 40% of our mandatory training requirements. This is keeping emergency personnel in their response districts for these portions of the required training.

4/26/02 There has been little progress in this area. Chief Parker has assigned this to several employees. They are currently trying to put something together to show the cost savings for video and computer based training.

10/19/01 Currently, approximately 95% of all our training occurs at the Training Center which takes out 25% of our state-of-readiness at our various stations around the city. We are working on developing a "Manipulative Skills" program which will be overseen by the Drillmaster that allows the crews to do physical training at the stations. Also being developed is the Modular Training on the personal computers at the stations. We are also trying to get a Fire Channel from Cox Communications which would allow training through telecommunications.

Department: Fire & Rescue

Report No.: 1999-08 Fire & Rescue Services

D. 1. iii Class Scheduling

Partially Complete

Recommendation

Fire and Rescue should provide mandated education for Firefighters at the training facility on a scheduled training shift, and video and computer training done in the stations.

Management's Plan of Action

The Department agrees with the concept, but finds the recommendation cost-prohibitive. There has been consideration given to the feasibility of assigning personnel to a temporary 40-hour work shift to accomplish training without having to place units in a delayed response status. In order to achieve this, we would first have to hire the 30 people we currently need, plus an additional 30 to 40 to cover those who would be on temporary assignment. With the implementation of the new RMS system and the installation of more PC's, interactive computer training will soon be an option for delivering a portion of our required training.

Follow-up Response

4/07/03 The computer training portion is underway with the implementation of the new internet-based Target Safety training program in January, 2003. The Fire Department has also entered into a contract with Cox Communications to utilize cable channel 888 for fire training. Cox Communications has already placed the required cable boxes in each station and are scheduled to be programmed. We anticipate using the fire cable channel for training purposes by October of 2003. Regarding video training, this area will be re-evaluated now that the City's Video Services has moved out of the Training Center.

4/26/02 There has been little progress in this area. Chief Parker has assigned this to several employees. They are currently trying to put something together to show the cost savings for video and computer based training.

10/19/01 The information stated in D1 ii - Class Scheduling applies here also.

Department: Fire & Rescue

Report No.: 1999-08 Fire & Rescue Services

E. 1. i Maintenance Cost Tracking

Partially Complete

Recommendation

Support Services should obtain a fleet maintenance program that accommodates fire apparatus.

Management's Plan of Action

The Department is currently working with IT and the City Maintenance Division in evaluating and incorporating a new fleet maintenance program. This is projected to be online in two months. Management will also evaluate the Shop's practices in tracking and documenting labor, and will ensure that actual work hours are tracked.

Follow-up Response

4/07/03 Still waiting for this portion of the Hansen Project. According to Mary McQuoid in Finance, the portion of the Hansen Project for tracking maintenance items is scheduled to be on line by December 31, 2003.

4/26/02 We are still waiting for the City of Las Vegas to go forward with the Hanson Project.

10/19/01 This changed due to the City's involvement with the Hansen project. A portion of the Hansen project deals with maintenance cost tracking. We will be utilizing this project once it comes on-line.

Department: Fire & Rescue

Report No.: 1999-08 Fire & Rescue Services

E. 3. i Parts and Service Purchasing

Partially Complete

Recommendation

Purchasing should assign a Buyer to Support Services who will acquire expertise dealing with vehicle maintenance repairs and establishing blanket purchase orders.

Management's Plan of Action

Having a buyer within the Department would be a great help, not only for Support Services but to expedite all Department purchasing needs. We will be requesting this position in the next budget year. Support Services is also working to increase the number of blanket purchase orders.

Follow-up Response

4/07/03 We now have a Senior Buyer, Ken Falline, "dedicated" to the Fire Department by Kathy Rainey, Purchasing and Contracts Manager. Although, this is helpful on an immediate basis, a full-time Senior Buyer was again requested in the FY2004 budget to accommodate continued future growth.

4/26/02 The Senior Buyer position was not approved in the FY2003 Tentative Budget.

10/19/01 A Senior Buyer was requested in the FY01 and FY02 budgets but was denied both times.

Department: Fire & Rescue

Report No.: 1999-08 Fire & Rescue Services

E. 3. ii Parts and Service Purchasing

Partially Complete

Recommendation

Support Services should record the ordering and receiving times for parts.

Management's Plan of Action

The time lag in ordering and receiving parts can be tracked easily through the ORACLE record. If parts are critical, the buyer will often expedite the process; we have received authorization for repairs in a matter of minutes if a critical need is expressed.

Follow-up Response

3/07/03 There is a program offered by E-Business (through Oracle) which tracks inventory orders. According to Mary McQuiod in Finance, this is going to be tested and experimented with but no timetable was given at this time for acceptance and implementation.

4/26/02 We are still waiting for the City of Las Vegas to go forward with the Hanson Project.

10/19/01 With the standardization of our fleet, this year has made stocking parts much simpler since all of our units are alike. Also when the Hansen Project is completed, it will assist our Service Writer in this area.

Department: Human Resources

Report No.: 2000-01 Citywide Payroll Process

B. 4. i Time In Lieu of Overtime

Partially Complete

Recommendation

City departments should more effectively budget for and manage the TILO they approve and allow staff to use.

Management's Plan of Action

HR agrees that City departments should more effectively manage their TILO authorization and usage. In fact, we are in the process of developing supervisory training materials to remind managers and supervisors of their responsibility in this regard. TILO is a benefit offered and can be managed successfully and effectively if the departments understand the implications and are held accountable for their use of TILO. It is our goal to follow the audit recommendations and both monitor the trends and further develop good educational programs in this area.

Follow-up Response

3/05/03 There has been no change since the 4/17/2002 response except that the implementation on Tru Track is currently on hold.

4/17/02 The Department of Human Resources does not have authority to control actions of other City Departments. This recommendation will be completed when TruTrack is implemented (estimated online date September 2002).

10/04/01 H.R. will be able to monitor the use of TILO once the true track timekeeping program is completed. Current supervisor training provided by the department includes information on paid leave approval.

Department: Human Resources

Report No.: 2000-01 Citywide Payroll Process

B. 5. i Alternate Work Schedules

Partially Complete

Recommendation

Management in all departments should more closely monitor the performance of staff on alternate work schedules and hold them accountable for their scheduled work hours.

Management's Plan of Action

HR strongly agrees that alternate work schedules should only be considered in work units where it makes good business sense for that schedule to be in place. There has been a considerable amount of discussion regarding the use of alternate work schedules and whether they currently are effective. In addition, there is some question as to whether this subject is covered under the contract and what level of negotiation is required prior to the elimination of any current alternate work schedule. With the new time and attendance system, we will be able to monitor when employees are arriving for work. We fully support the second phase of implementation which includes an automated sign-in and sign-out that uses our proximity cards for attendance purposes.

Follow-up Response

3/05/03 City Departments will be able to monitor employee access to and from work areas upon completion of the Card Access System being implemented by the Department of Detention and Enforcement. The implementation of Tru Track will also enhance the Department's ability to monitor employee access to and from work areas. The implementation of Tru Track is currently on hold.

4/17/02 Our initial response has not changed. Training is mandatory. The training program covers accountability of employee work hours and work schedules.

10/04/01 Our initial response has not changed.

Department: Human Resources

Report No.: 2000-01 Citywide Payroll Process

B. 5. ii Alternate Work Schedules

Partially Complete

Recommendation

Management should consider posting employee work schedules, including lunch breaks to deter employees from deviating from their established work hours.

Management's Plan of Action

HR does not believe that Recommendation ii., with regard to posting work schedules, necessarily will help with this problem and may, in fact, add unnecessary work and cause undue controversy with employees.

Follow-up Response

3/05/03 Our response has not changed on this issue. In addition, the implementation of Tru Track is currently on hold.

4/17/02 Our response has not changed as we still do not agree with the recommendation. This recommendation will be completed when TruTrack is implemented (estimated online date September 2002).

10/04/01 The prior response has not changed.

Department: Human Resources

Report No.: 2000-01 Citywide Payroll Process

B. 5. iii Alternate Work Schedules

Partially Complete

Recommendation

Management in all departments should consider requiring employees to wave their access cards over specific controlled access door monitors on all arrivals and departures from work.

Management's Plan of Action

HR strongly agrees that alternate work schedules should only be considered in work units where it makes good business sense for that schedule to be in place. There has been a considerable amount of discussion regarding the use of alternate work schedules and whether they currently are effective. In addition, there is some question as to whether this subject is covered under the contract and what level of negotiation is required prior to the elimination of any current alternate work schedule. With the new time and attendance system, we will be able to monitor when employees are arriving for work. We fully support the second phase of implementation which includes an automated sign-in and sign-out that uses our proximity cards for attendance purposes.

Follow-up Response

3/05/03 In addition to our previous response, completion of the Card Access System by D & E will also assist Departments in monitoring their employees. The implementaion of Tru Track is currently on hold.

4/17/02 Our response has not changed as a new system to track time and attendance has not as yet been implemented by the City. This recommendation will be completed when TruTrack is implemented (estimated online date September 2002).

10/04/01 Our original response has not changed.

Department: Human Resources

Report No.: 2000-01 Citywide Payroll Process

B. 5. iv Alternate Work Schedules

Partially Complete

Recommendation

Management should periodically request and review reports from Detention and Enforcement showing times when employees entered through controlled access doors with their City access cards and use the reports as support for disciplinary measures when needed.

Management's Plan of Action

HR strongly agrees that alternate work schedules should only be considered in work units where it makes good business sense for that schedule to be in place. There has been a considerable amount of discussion regarding the use of alternate work schedules and whether they currently are effective. In addition, there is some question as to whether this subject is covered under the contract and what level of negotiation is required prior to the elimination of any current alternate work schedule. With the new time and attendance system, we will be able to monitor when employees are arriving for work. We fully support the second phase of implementation which includes an automated sign-in and sign-out that uses our proximity cards for attendance purposes.

Follow-up Response

3/05/03 Our position has not changed except that the implementation of TruTrace is currently on hold.

4/17/02 Our position has not changed as the City has not as of yet implemented the card entry system. This recommendation will be completed when TruTrack is implemented (estimated online date September 2002).

10/04/01 Our original response has not changed.

Department: Human Resources

Report No.: 2000-01 Citywide Payroll Process

B. 5. v Alternate Work Schedules

Partially Complete

Recommendation

Department directors should monitor the alternate work schedules of employees within their department and discontinue any schedules that are not in the best interest of the City, department, or customers.

Management's Plan of Action

HR strongly agrees that alternate work schedules should only be considered in work units where it makes good business sense for that schedule to be in place. There has been a considerable amount of discussion regarding the use of alternate work schedules and whether they currently are effective. In addition, there is some question as to whether this subject is covered under the contract and what level of negotiation is required prior to the elimination of any current alternate work schedule. With the new time and attendance system, we will be able to monitor when employees are arriving for work. We fully support the second phase of implementation which includes an automated sign-in and sign-out that uses our proximity cards for attendance purposes.

Follow-up Response

3/05/03 Our prior response on this issue has not changed except that the implementation of Tru Track is currently on hold.

4/17/02 We agree that any alternate work schedule that is not in the best interest of the City and its customers should be discontinued. The Department of Human Resources does not however, have the authority to control the actions of other Departments. This recommendation will be completed when TruTrack is implemented (estimated online date September 2002).

10/04/01 Our original response has not changed.

Department: Human Resources

Report No.: 2000-01 Citywide Payroll Process

B. 6. iii Sick Leave Policy and Monitoring

Partially Complete

Recommendation

The City should re-evaluate the sick leave cash incentive program and consider alternative incentives that may be more successful in discouraging sick leave abuse.

Management's Plan of Action

The subject of the monetary incentive is one that we would gladly reconsider at the bargaining table should we receive the direction of Council to do so in the next negotiation period.

Follow-up Response

3/05/03 Our response has not changed. We are currently in negotiations with the CEA, the PPA, and the POA and sick leave is a subject of those negotiations.

4/17/02 We are currently negotiating with the LVCEA and this issue is being discussed.

10/04/01 Our response has not changed.

Department: Human Resources

Report No.: 2000-01 Citywide Payroll Process

C. 2. ii Incentive Compensation For Appointive Employees Partially Complete

Recommendation

The City should consider adopting the practice of granting merit increases at the same time once a year for all appointive employees.

Management's Plan of Action

We agree with the finding that a fixed dollar amount for each department to use for appointive merit increases is a better management tool and that moving toward a once a year review period for appointive employees will help departments to better manage and measure their merit awards.

Follow-up Response

3/05/03 Although Human Resources has no control over when appointive employees receive merit increase, we are in the process of developing a new appraisal tool.

4/17/02 COMPLETE Human Resources has no control over this issue.

10/04/01 This practice is being considered.

Department: Human Resources

Report No.: 2000-01 Citywide Payroll Process

C. 2. iii Incentive Compensation For Appointive Employees Partially Complete

Recommendation

City management should consider adding a bonus component based on clearly defined performance requirements to the compensation program for all appointive employees.

Management's Plan of Action

The theory behind the compensation systems is that the top of the range is the top of the market for that job and to exceed that would put our compensation system out of line with this principle. We would heartily support moving toward a bonus component as long as it does not become an add on to the generous increases employees receive each year. For example, executive and management employees do not have the opportunity to receive automatic COLAs in addition to their opportunity for merits and bonuses.

Follow-up Response

3/07/03 Once again, the philosophy remains the same. Due to other major projects and initiatives assigned during this past fiscal year, the approach to this issue has changed. Instead of being considered a single project, any incentive program will be included for consideration as part of an overall review and change to the entire City of Las Vegas performance evaluation system. A committee has been formed and has been meeting and doing research on the subject for the past nine months. Step 1 has been completed with the establishment of an hourly evaluation and compensation review process for hourly employees. To follow will be the recommendation for classified and then appointive employees. New forms and processes are being tailored to specific levels. We anticipate a process to be completed for classified employees and significant progress made for the appointive levels during this next fiscal year.

4/17/02 The philosophy expressed in the original "Management's Plan of Action" remains the same. However, we realize that we have no means of awarding appointive employees for extraordinary performance in a given area, project, etc., especially when it falls outside what is expected of them in the way of everyday performance and those employees are sitting at the top of their respective salary ranges. We have been researching ways to accommodate such recognition in the form of a one-time bonus plan (which could take either a monetary or non-monetary form) and will have a preliminary draft of recommendations to the City Manager's Office in early fall 2002.

10/04/01 There are no immediate plans to change the appointive compensation plan.

Department: Human Resources

Report No.: 2000-01 Citywide Payroll Process

C. 3. ii Salary Step Advancements For Classified Employees Partially Complete

Recommendation

Human Resources should establish policies outlining how often management should evaluate classified employees against the performance standards and how to document unsatisfactory performance.

Management's Plan of Action

HR agrees that some managers and supervisors may not adequately document unsatisfactory performance so that a salary step increase may be denied when it is appropriate. We have established several leadership and supervisory programs to help managers better document performance and manage their employees. We look forward to continuing to work with managers and supervisors to accomplish this goal.

There are several ways the Career Development Action Plan can be utilized to support the management of performance. It is designed to indicate to employees the steps they need to take to improve their performance so that absent that performance, the manager can move to the disciplinary process and can readily provide the documentation needed to substantiate a denial of a step increase. There may be a need for more firm guidance from department directors to instruct their managers to follow this process and then support for their supervisors when they make these decisions.

Follow-up Response

3/05/03 As part of the City's wage proposal for a successor CEA contract, the City has proposed a step increase system based on merit. The outcome will be determined by an independent arbitrator.

4/17/02 Our position on this item has not changed.

10/04/01 Our response to this item has not changed.

Department: Human Resources

Report No.: 2000-01 Citywide Payroll Process

C. 4. ii Career Development Action Plan

Partially Complete

Recommendation

Human Resources should consider establishing a true performance evaluation program for all appointive and classified employees in conjunction with the CDAP and progressive discipline programs.

Management's Plan of Action

HR agrees with some of the criticisms offered with regard to the use of the CDAP; however, we find that most of these criticisms refer back to supervisors who have not properly utilized the instrument or have not taken the time to follow the directions offered in the training programs with regard to the use of the CDAP. Any method of evaluation or performance measurement finds its success or failure on the front lines as managers take the steps to utilize them appropriately. We would be glad to work with departments in our ongoing training programs to help them to understand how they can utilize the instrument.

Follow-up Response

3/05/03 The Human Resources Department is in the process of developing a new tool to measure employee performance. Estimated completion date: Mid FY 2004.

4/17/02 Our response on this issue has not changed.

10/04/01 Human Resources continues to provide training on the proper use of the CDAP and the Progressive Discipline Program.

Department: Human Resources

Report No.: 501-0001-06 Audit of Safety/Loss Control

1. 2. Workplace Injury

No Progress

Recommendation

The Safety/Loss Control Officer should prepare an annual benchmarking study to compare the City's injury rates with other entities.

Management's Plan of Action

As reported earlier, the Insurance Services Department agrees that benchmarking with other government agencies is an effective management tool. To date, it has been difficult to do so, as entities have different reporting mechanisms and philosophies. It has been difficult to compare "apples to apples".

The Insurance Services Department has recently learned that the Public Risk Data Project (PRDP) is being expanded to include workers' compensation. Entities involved in the project will provide organizational data to the project so that like entities can be compared. Each entity will be provided with the same injury codes, so that injuries may be tracked uniformly. The PRDP is working with various risk management software vendors to develop the enhancements necessary to undertake this project. Our software vendor, Pyramid, is one of the software vendors involved.

The PRDP representative indicated they anticipate start-up by mid-October. It will require updating our computer system, and we cannot, of course, begin until PRDP is ready, but our goal is to become part of the PRDP workers' compensation data study by year-end, 2001.

Follow-up Response

3/11/03 The upgrade of the Pyramid system has been delayed. The upgrade was not released by the company until November of 2002, and we have been in negotiations since then with them, the IT Department and the Purchasing Department. Depending on the results of this negotiation, Insurance Services may have access to the PRDP database through Pyramid by July of 2003, or ISD may be seeking an alternative software provider and access to PRDP data will be a selection criteria.

4/15/02 We received notice on 4/17 that the data bank was ready to receive data. However, our computer system (Pyramid) currently does not support the coding necessary to participate in this project. The PRDP staff and the support/development section of Pyramid have agreed to work together to incorporate the revisions necessary to support this project into the new Pyramid Release 1.3, scheduled for release July 1, 2002. In addition, we are in the process of working with the Information Technology group to analyze alternative computer systems. Once we have either transferred to a new system or upgraded our current system, we can begin participating in the PRDP study.

Department: Human Resources

Report No.: 501-0001-06 Audit of Safety/Loss Control

2. 1. Vehicle Accidents

Partially Complete

Recommendation

The City should establish long-term and short-term goals to reduce vehicle accidents.

Management's Plan of Action

Insurance Services agrees with each of the audit report recommendations.

While the average cost per vehicle accident is relatively low, any vehicle accident places the City at risk for suit under the tort claims statutes, and carries the risk of serious injury or loss of life of either a valued employee or an equally valued citizen. Accidents involving only City vehicles, with no bodily injury, still may result in increased maintenance and repair costs.

A vehicle safety initiative launched in 1998, called "The Road to Safety", was moderately successful. It involved an incentive program based on a number of factors such as hours driven, completion of defensive driving classes, and motor vehicle maintenance. The program resulted in a 40% reduction in the number of vehicle accidents deemed to be the fault of our employees. However, it required the participation and support of all departmental managers, and while some embraced the program, others were not prepared to dedicate the time needed for individual employee record-keeping. It was not continued.

Employees who are allowed by their supervisors to operate a City vehicle without attending initial or refresher driver training programs do so in direct violation of company policy. Insurance Services provides a monthly report to every department on the status of their driving employees. The departments are instructed to schedule their employees for such training, and they are reminded that employees who are not in current status must not be allowed to operate a City vehicle. a City vehicle backs up.

As indicated elsewhere in the audit report, in the case of preventable accidents, discipline is unevenly enforced. Employees involved in preventable accidents often see no negative consequences. In addition, the audit reported that an observation of 56 City vehicles showed 37 were operated by City employees without seatbelts. We find this totally unacceptable, and again, in direct violation of City policy. An employee using a City vehicle without a seatbelt should be immediately subject to discipline. However, that appears not to be the case.

Unfortunately, Insurance Services cannot mandate accountability or participation from any department or division. Therefore, we whole-heartedly support the establishment of short and long term vehicle accident and injury reduction goals, and believe that operational management must be held accountable for implementation of policies designed to achieve those goals, including those policies already established, but under-enforced. Aggressive educational goals and disciplinary

Department: Human Resources

Report No.: 501-0001-06 Audit of Safety/Loss Control

guidelines will be included in the proposed comprehensive safety initiative previously discussed in this memo.

In the interim, Insurance Services will assist individual divisions to establish and implement effective action plans to reduce vehicle accidents. Meetings will be scheduled with each division, currently using fleet vehicles, to review their vehicle accident records and establish vehicle accident reduction plans. This activity will be accomplished by June 30, 2000. However, it should be noted that without management support, we will only be able to recommend activities, not enforce them.

Follow-up Response

3/11/03 The safety/loss control consultant was unable to successfully establish vehicle accident goals with the various departments. However, accident statistics were reviewed with each department, and educational programs and safety meetings were put in place. The result was that the number of preventable accidents (accidents in which the City employee was found to be at fault) dropped from 117 in Calendar Year 2001 to 85 in Calendar Year 2002, a 27% reduction. A new safety/loss control consultant is expected to begin working with the City in April, 2003. Insurance Services will continue to work with that consultant to establish additional programs which reduce the number of preventable vehicle accidents.

4/15/02 A safety/loss control consultant has been contracted. He is currently working with the individual divisions to establish appropriate safety goals.

Department: Human Resources

Report No.: 501-0001-06 Audit of Safety/Loss Control

3. 1. Self-Insurance Funds

Partially Complete

Recommendation

The City should require actuarial studies be done for its self-insurance funds at least on a bi-annual basis.

Management's Plan of Action

Insurance Services contacted Mark Vincent, Director of Finance, to discuss the current actuarial studies done on reserves, and request his opinion on the scope and timing of actuarial studies specific to the self-insured trust funds. We have received his response recommending such a study, and have begun investigating possible vendors. Depending on the length of time required to obtain a vendor and complete the contracting process, the study could be underway by June, 2001.

Follow-up Response

3/11/03 Four responses were received and a vendor selected. However, our computer system was unable to provide the data in the format required by the actuary. This study will be revisited once our Pyramid software is updated or we install new software. The ability to format data suitable for actuarial study is a requirement on the software RFP. It should be noted that KPMG reviewed the current workers' compensation claims and reserves and determined the reserves to be adequate.

4/15/02 A Request For Proposal has been sent to four providers. Four responses were received. A decision on the most appropriate provider will be made by 5/1/02.

Department: Information Technologies

Report No.: 1999-02 Information Technology Operations

B. 4. i Unauthorized Access

Partially Complete

Recommendation

IT should work with the Office of City Attorney to develop a more detailed description of what penalties could be involved if a user accesses the City of Las Vegas network without authorization. The current warning statement should be replaced.

Management's Plan of Action

IT Operations management believes that we should not take part in setting or recommending penalties for unauthorized use of computer systems. Operations suggests that such determination be made by Human Resources and the City Attorney. The referenced splash screen has been changed and computers updated during the recent inventory. The Office of City Attorney is open to reviewing this request, will evaluate it, and take appropriate action. OPEN.

Follow-up Response

3/03/03 The current Civil Services Rules Section 4 a 10 item 10 and Personnel Policy 9.06 adress the issue of misuse of any city property. IT has developed a newly-worded warning statement that addresses potential penalties for this misuse. The City Attorney's Office and the IT Configuration Control Committee have approved the new statement and it is being rolled out to desktops. The rollout will be completed in the next 30 days.

4/17/02 John Redlein in the City Attorney's Office has now furnished us with stronger language to use for our log-on statement. The new statement is given below. However there is a problem with implementation in that the log-on statement for each PC is part of the operating system and not in a common file referenced by all. Therefore the new statement will have to be installed with each new/replacement PC and cannot be practically implemented for PCs already in service. Complete implementation could take up to three years. In the meantime, we can have the Information Security and Contingency Administrator (who has approved its content) publish the new language on his website and discuss it when his committee meets. Mike Hougen wants to make sure the new language is approved by the CMO before it is instituted. We will have the new wording approved by the Configuration Control Committee and then the CMO before beginning implementation. The new statement will be worded as follows: All City of Las Vegas information systems exist solely for the storage, processing, and communication of official information. The City's systems and equipment are subject to monitoring to ensure proper functioning, to protect against unauthorized use, and to verify the presence and performance of security features. Every person using this system will be regarded as having expressly consented to such monitoring. If monitoring reveals evidence of unauthorized use or of criminal activity, a report will be made to the appropriate management or law enforcement authorities. Unauthorized attempts by City employees to access data will result in

Department: Information Technologies

Report No.: 1999-02 Information Technology Operations

severe discipline, including termination, and any person unlawfully accessing City systems or attempting to modify the City's electronic records will be prosecuted criminally.

10/29/01 On May 7, 2001, assistance was requested from the City Attorney's Office to help resolve this matter. On May 17, the City Attorney committed to putting someone on it.

D. 3. Sun Solaris Administration

Partially Complete

Recommendation

GIS management should have the current system administrator cross train another system administrator to ensure the City has a backup in case of emergency.

Management's Plan of Action

Sun System Administration - GIS management will initiate a dialog with the Programming & Analysis Manager in an attempt to leverage senior technical staff members. The first suggestion will be that the two UNIX system administrators meet monthly to familiarize each other with their systems and to update each other on system changes. These meetings should start no later than June 30, 1999. The second suggestion will be for the GIS system administrator to begin sharing documentation of all critical aspects of system operation with selected personnel from Programming & Analysis. This should begin no later than June 30, 1999 OPEN (July 2000)

Follow-up Response

3/05/03 The SDE component of the GIS environment has been migrated to the NT platform. The pilot of the NT-based GIS workstations indicated some performance issues. IT is working with ESRI to resolve these issues before migrating completely to the NT platform.

4/22/02 IT is currently piloting workstation-class GIS workstations as a prelude to moving all GIS services to the NT platform. IT estimates the migration to be complete by calendar year end, 2002. Once complete, the Sun Unix systems are planned to be decommissioned, and the current GIS administrator transitioned to the NT environment.

10/11/01 Some of the GIS computer architecture is being migrated to an NT server/workstation platform, providing expanded system administrator resources. There has been some progress on sharing of Unix administration for GIS.

Department: Information Technologies

**Report No.: 1999-06 Department of Information Technologies –
Systems Development Methodology**

8. Post Implementation Review

Partially Complete

Recommendation

IT should select at least one major system for post implementation review annually to improve current systems and enhance the systems development process.

Management's Plan of Action

The adopted SEM does specify post-implementation reviews. Since the adoption of the SEM, only one major software implementation has taken place. Therefore, there has not yet been opportunity for a post-implementation review, given the dedication of resources to the Y2K remediation effort.

Follow-up Response

3/10/03 IT currently has in place a practice of reviewing all systems 45 days after implementation. These reviews have not all been formally documented, however, IT plans to adopt a more formal review process starting in June, 2003.

4/23/02 Provided separately is a Project Plan for the Sewer ACH Payment Project listing "Post Implementation Support" as the last step in the process, occurring after the "Acceptance" phase, which includes sign-off. This post implementation review meeting allows IT and the customer to discuss how the new system is functioning and to define where problems may still exist. Also provided separately is a Final Project Acceptance sign-off sheet for this project as well as a Project Plan template showing acceptance and post implementation support as final phases for all projects.

10/29/01 COMPLETE -- Post-implementation review is part of the project plans on all projects. It is part of a standard, 45-day "Customer Care" phase.

Department: Information Technologies

Report No.: 2000-01 Citywide Payroll Process

E. 2. iii Access Control

Partially Complete

Recommendation

The System Administrator should be notified by pager, email, or other method if a user fails to gain access to the system after a certain number of attempts. In addition, the system administrator should review system access logs daily.

Management's Plan of Action

IT agrees that it is important to detect and take action, when appropriate, on invalid access attempts. Since the system administrators are not on duty 24 by 7, it would not be feasible to notify them of every failed access attempt. If the notification was via email, a failed access attempt that occurred after hours would not be discovered until the next work day. If the attempt is a break-in, the delay would be unacceptable. Pager notification would be very expensive, since the City has a number of different platforms and each has an administrator. The solution would require several system administrators be given pagers and subsequently be paid on call pay 24 by 7. Since most of the failed access attempts are user error or expired passwords, this solution would not be cost effective. As an alternative, IT is trying to get the current Computer Operators job description reclassified to allow them to accomplish some of these functions. The Computer Operators, who are 24 by 7, would be tasked with reviewing logs and doing an initial analysis for any failed access attempts. If it is felt that the attempt requires further actions, the operator will contact the appropriate system administrator. If this reclassification is not approved then IT will look into other solutions.

Follow-up Response

3/05/03 IT is currently evaluating third-party tools that promise to help identify trends and take prescriptive actions. Implementation of Active Directory (AD) is scheduled the month of July, 2003. AD gives us the ability to assign administrative roles and tasks to a much more granular level than the OS presently provides.

4/22/02 Site Scope and Shadow Security Scanner have been identified and installed for system monitoring and staff notification functions. IT is evaluating a third package that would allow baseline server and router configuration delta reporting. Physical system log monitoring is still done manually. Automated tools for event identification and reporting based on system logs are targeted for evaluation in Fiscal 2003 pending available funds.

10/11/01 Computer Operators have been reclassified to Computer Systems Technicians, whose new role will include the monitoring of system logs. Full implementation will result after appropriate systems training is complete in September 2001.

Department: Information Technologies

Report No.: 2000-01 Citywide Payroll Process

E. 6. v Root Access

Partially Complete

Recommendation

IT should regularly run security tools to ensure the integrity of the operating system.

Management's Plan of Action

IT will research tools for checking security and implement viable solutions. (Target Completion Date: June, 2000)

Follow-up Response

3/05/03 IT is in the process of third-party product evaluations. Funding still remains an issue.

4/22/02 Automated tools for event identification and reporting based on system logs are targeted for evaluation in Fiscal 2003 pending available funds.

10/11/01 The Information Security and Contingency Administrator has requested funding for tools to check systems security, but funding has not been gained for this project.

Department: Information Technologies

Report No.: 2000-01 Citywide Payroll Process

E. 9. Encryption

Partially Complete

Recommendation

IT should encrypt the check and NACHA files.

Management's Plan of Action

When we switch to bank origination, encryption will be provided as part of the bank provided transmission software. (Target Completion Date: July, 2000)

Follow-up Response

3/05/03 Automated deletion of these files from the job streams presents some logistical issues. There are times when portions of the jobs must be reprocessed. Strict access controls are in place to protect the information in these files from unauthorized access. Encrypting the files is not a viable solution since the file would have to be decrypted prior to transmission by the same employees that currently have access to the files. IT is reviewing file expiration parameters with Finance and Business Services personnel. The idea is to set expiration times for files in these designated directories to mitigate the risk.

4/22/02 The directory into which these files are created has been restricted to specific Finance personnel. IT is evaluating the possibility of deleting the files within the check printing and NACHA formatting job streams.

10/11/01 The transmittal process is now in the hands of the Treasurer. The Treasury staff now transmits electronically the payroll and NACHA files.

Department: Information Technologies

Report No.: 2101-0102-09 Audit of Information Technology Security

1. 1. Risk Analysis

Partially Complete

Recommendation

The Director of Information Technology should evaluate the Risk Analysis and determine whether to acknowledge it as a formal document. If reviewed and acknowledged, IT Management should sign and date the document and create an action plan in response to the recommendations within the document.

Management's Plan of Action

IT Management agrees that the review of the Risk Analysis should be a formal process. IT will replace the existing signature blocks with a certification of review by the IT Director and the IT Director will confirm his review by placing his signature on the review. Action items will be noted.

Follow-up Response

3/03/03 A Risk Assessment was completed in the later part of 2002 and was sent to management for review and approval. An action plan was drafted and is being reviewed by management. Once the action plan is finalized the IT Director will sign the Risk Analysis and implement action plan recommendations, whenever possible. Since this will be an ongoing process, IT requests that this item be closed.

1. 2. Risk Analysis

Partially Complete

Recommendation

The Risk Analysis and management action plan should be forwarded to the City Manager's Office for review and acknowledgement.

Management's Plan of Action

Once the IT Director has certified his review of the Risk Analysis and the Board of Managers has formulated necessary actions, IT will forward the document to the City Manager's Office for further review. IT will solicit comments from CMO.

Follow-up Response

3/03/03 As mentioned in the previous finding the Risk Assessment was completed in the later part of 2002 and was sent to management for review and approval. An action plan was drafted and is under review by management. Management will be finalizing actions necessary to address the vulnerabilities and will either take appropriate actions or accept the risk.

Department: Information Technologies

Report No.: 2101-0102-09 Audit of Information Technology Security

1. 3. Risk Analysis

Partially Complete

Recommendation

Revisions to the original Risk Analysis should be formally tracked.

Management's Plan of Action

IT will establish a baseline for this document and record revisions to the document, to include adds/changes/deletions, date, and author.

Follow-up Response

3/03/03 IT has completed a Risk Assessment in the later part of 2002 and implemented a revisioning process with that document. No other actions are planned for this item.

Department: Information Technologies

Report No.: 2101-0102-09 Audit of Information Technology Security

**3. 2. Incident and Intrusion Monitoring, Detection,
Handling, Reporting, and Logging**

Partially Complete

Recommendation

IT Management should identify, evaluate, and document:

- Key system auditing/logs that should be enabled, monitored, and reviewed for discrepancies on a regular basis;
- System auditing tools that could be used to increase monitoring of systems; and
- A formal system monitoring program including assignment of responsibility for reviewing system auditing/logs and identification of frequency of review of logs.

Management's Plan of Action

The audit reports that "No system auditing/monitoring tools are in use". In actuality, the NT/Win2K, UNIX, and Unisys have the equivalent to security, application, and event logs enabled and capturing data. Additionally the various business applications have audit logs and audit trails in use. The auditor may have been referring to reporting tools that help sort and sift through the multitude of logs and help alert staff to serious events. IT has reviewed and weighed the value of several solutions, such as CA/Unicenter, but found the cost to be prohibitive (>\$200K). Recently, a flyer for a new tool, designed to aid in monitoring and reporting NT/Win2K logs was received by IT and is currently under review. As reported in a previous audit, IT intends to train and use the Computer Systems Technicians to augment the Systems Administration Specialists in systems monitoring. Prerequisite to that, however, is sufficient training for the Computer systems technicians, and the allowance of sufficient systems privileges to perform the task. IT will formalize monitoring tasks and procedures, while continuing the technician training, evaluating tools, and weighing access requirements. Monitoring tools will be purchased as budget funds are available.

Timetable: Process formalization – August 2002

Personnel training/access – March 2003

Tools evaluation/purchase – November 2002

Follow-up Response

3/05/03 Operations staff is currently monitoring an event reporting system. Evaluation of third-party Intrusion Detection/Prevention tools is in progress. Evaluation of one of these tools is scheduled for completion approximately the end of April, 2003.

Department: Information Technologies

Report No.: 2101-0102-09 Audit of Information Technology Security

5. 3. Social Engineering

No Progress

Recommendation

After three failed logon attempts, IT should lockout users until unlocked by IT.

Management's Plan of Action

From an operation perspective, following this recommendation would be counterproductive for only minimal security gain. Lockout of password after three invalid attempts was considered by IT, but would place an inordinate burden on existing support staff. The city has several 24x7 operations, including Detention, Fire Services, Public Works, and other agencies, such as Municipal Court and Leisure Services, operate extended and weekend hours. With systems and support staffing available to support only a 5x9 schedule, clients who inadvertently lock out their accounts will have to wait for the next normal work period to regain computer access. The 15-minute delay prevents continuous password tries by hackers but provides a fail-safe for the authorized users during non-standard work hours.

Timetable: N/A - Closed

Follow-up Response

3/03/03 As noted previously, IT does not have the staff to provide 24 by 7 support for password lockouts. If this recommendation was accepted, departments working on weekends and evenings would have employees that might not be able to complete their assigned work if they accidentally locked themselves out of the system or an application. This would not be acceptable, IT does not agree with this recommendation and recommends that the item be closed.

AUDITOR'S ASSESSMENT:

The Department says this is COMPLETE. The Auditor believes this would provide enhanced security. IT does have people on call to provide this service.

Department: Information Technologies

Report No.: 2101-0102-09 Audit of Information Technology Security

8. 6. System Access and Authentication

No Progress

Recommendation

IT should restrict the hours of access to the city network, where feasible. For example, hours of usage could be restricted during weekends and between 8 pm and 5 am for the majority of employees. Justification should be required for those requesting extending hours.

Management's Plan of Action

Access restrictions based on hours worked would be an administrative burden and would hamper anyone from working outside of their predefined work hours. Since City Departments work 24 by 7 and systems and applications must be available 365 days per year, access restrictions would not significantly increase overall security.

Timetable: N/A -- Closed

Follow-up Response

3/03/03 Many departments have 24 by 7 needs and shifts are frequently changed for those workers. If IT had to change an individual's hours of access every time there was a change of shift, the administrative burden would be excessive. IT does not feel that the benefit would be worth the overhead expense and accepts the minimal risk resulting from open access hours. IT does not agree with this finding and plans no further action.

AUDITOR'S ASSESSMENT:

The Department says this is COMPLETE. The Auditor believes this would provide enhanced security and IT does have people on call to provide access if necessary.

Department: Information Technologies

Report No.: 2101-0102-09 Audit of Information Technology Security

9. 1. Domain Administrator Rights

Partially Complete

Recommendation

IT Management should evaluate methods by which a subset of Domain Administrator Rights can be granted to non-system administrator employees with such a need to perform their job.

Management's Plan of Action

Before access was given to the Computer Systems Technician and the Microcomputer Support Supervisor, IT looked at the security ramifications of this decision. At the time both individuals needed Domain Administrator access to complete some of their work and to meet the needs of the City. It has always been the IT department's policy to provide administrator rights to only the staff that require those rights. Having only 5 people with administrative rights with the number of servers in place and with a total the staff of approximately 100 does not seem to be too many people with this authority. IT will review the current processes and make appropriate changes. The ADMINISTRATOR account is restricted to only three Systems Administration Specialists.

Timetable: Re-evaluation targeted for completion June 30, 2002.

Follow-up Response

3/03/03 Domain administrator rights are restricted as much as is feasible for this environment. Any further restriction would preclude individuals from completing their assigned tasks. A review of current processes has determined that no changes are feasible. When Active Directory is implemented, further granularity may be possible. IT will analyze its use of domain administrator rights as Active Directory is implemented and will make changes as deemed appropriate.

Department: Information Technologies

Report No.: 2101-0102-09 Audit of Information Technology Security

10. 1. Root Access

Partially Complete

Recommendation

IT Management should develop and document a policy outlining what positions should have root access and make changes as necessary to the access of those who currently have root access.

Management's Plan of Action

IT has evaluated the need for appropriate access numerous times and has made adjustments when deemed necessary. IT has documented a ROOT ACCESS policy and will provide copies to the CAO. IT will continue to review UNIX root access as third-party products improve, and will make changes if possible.

Timetable: Continual. Next evaluation targeted for June 30, 2002.

Follow-up Response

3/03/03 No products were found that can assist with the restriction of root access. IT feels that the root access is restricted to only those people that require it for their daily functions. IT is searching for tools to assist with this.

Department: Information Technologies

Report No.: 2101-0102-09 Audit of Information Technology Security

15. 1. Multiple Sessions

No Progress

Recommendation

IT should restrict access of users, where feasible, to a single computer workstation. Special authorization should be required for users who need access to multiple computer workstations simultaneously.

Management's Plan of Action

Providing employees the capability of having multiple active sessions is extremely important in many departments. With the current mobile workforce limiting sessions or assigning users to particular workstations is impractical. Additionally, many departments with counter operations change employees frequently and the changes are of a short duration. Requiring a person to log off of their existing session before logging into a second session interrupts their current activities and provides little if any additional security. In addition to counter operations, IT personnel doing fieldwork, persons attending training and persons using laptops for meetings would be negatively impacted by a change of this nature. IT agrees to enforce system lockouts upon non-activity of 15-minute intervals.

Timetable: March 2002

Follow-up Response

3/03/03 Restricting individuals to one workstation except under special authorization would be an administrative burden with little or no security benefit. IT does not have the resources to implement this recommendation and does not agree that it is cost effective to consider. IT plans no further action on this item.

AUDITOR'S ASSESSMENT:

The Department says this is COMPLETE. The Auditor disagrees and asks for further study when future versions of the operating system are released.

Department: Information Technologies

Report No.: 2101-0102-09 Audit of Information Technology Security

A. 1. Master Plan

Partially Complete

Recommendation

Leisure Services management should review, monitor, and as necessary update the Master Plan to ensure a focused direction for the City's recreation facilities and programs.

Management's Plan of Action

Leisure Services Director and Division Managers will periodically review, monitor, and update the Master Plan.

Follow-up Response

3/06/03 A determination has been made that a completed Master Plan is not a requirement to obtain full accreditation. However, LS is making progress and continues to work towards updating its Master Plan.

5/10/02 The recently completed Parks Master Plan and Community Needs Assessment play a major role in assisting LS to update its Master Plan. Both documents provide empirical & statistical data that will assist LS with its review & update. LS is pursuing accreditation through CAPRA (Commission for Accreditation of Park and Recreation Agencies), and having a Master Plan is one of the requirements. LS will continue to work to review, monitor and update its master plan in pursuit of department accreditation. Projected completion date: 12/02

10/12/01 Ongoing Project.

Department: Leisure Services

Report No.: 1999-09 Department of Leisure Services - Recreation Division

A. 2. Accreditation

Partially Complete

Recommendation

Leisure Services management should work toward accreditation from NRPA to set a direction and standard for future recreational facilities and programs in Las Vegas.

Management's Plan of Action

Leisure Services has acquired NRPA accreditation material and will explore the criteria and assess our ability to attain this accreditation.

Follow-up Response

3/03/03 LS is scheduled to receive the evaluation from the Commission for Accreditation of Parks & Recreation Agencies (CAPRA) Team the week of 3/17/03

5/10/02 Leisure Services continues to pursue NRPA accreditation and has completed the following steps in that effort: Identify work process - completed Identify Team Leader & Members - completed Map current process and collection of information - 11/01 Pilot Process - 3/02.

10/09/01 UPDATED RESPONSE: Leisure Services continues to pursue NRPA accreditation and has completed the following steps in that effort: Identify work process - completed Identify Team Leader & Members – completed Map current process and collection of information - 11/01 Pilot Process - 3/02.

Department: Leisure Services

Report No.: 1999-09 Department of Leisure Services - Recreation Division

C. 1. i Fees

Partially Complete

Recommendation

Leisure Services should develop a process in which all fees are reviewed at least annually and the proposed changes are reviewed by the Parks and Recreation Advisory Committee and approved by the City Council as stipulated in Municipal Code.

Management's Plan of Action

Leisure Services Management will develop a process to review fee charges annually and submit for approval. The first proposal will be submitted by March 2000. Leisure Services Management also recognizes the need to strengthen its policies regarding fee establishment and cost recovery. To that end, we have established the following measure:

- 1) Performance Measurement Guidelines.
- 2) Increased dialogue and interaction with both the Finance/Budget Manager and Analyst.
- 3) Education of front-line staff on budget and revenue management.

Follow-up Response

3/06/03 LS continues to work towards developing a Fees and Charges Policy. LS expects finalization of the plan to be established on or about 7/03. This item will be addressed at that time.

5/10/02 LS has created an internal committee to develop policy that will outline a process by which all fees go through an annual review. The policy will address the establishment of fees; how, why, and when fees will be increased; and cost recovery.

10/09/01 This item is still being considered as the Manager responsible for this segment is retiring shortly. The incoming Manager or acting Manager will be assigned the project for action.

Department: Leisure Services

Report No.: 1999-09 Department of Leisure Services - Recreation Division

C. 1. ii Fees

Partially Complete

Recommendation

Leisure Services should determine recovery rates for all recreational programs and bring all programs as close to and over 100% if possible to subsidize programs where 100% recovery is not possible.

Management's Plan of Action

Leisure Services Management will evaluate all programmatic delivery rates and establish a plan to complete this recommendation by June 2000.

Follow-up Response

3/06/03 The issue of cost recovery will be addressed in the department's Fees and Charges Policy (see C.1..i. Fees).

5/10/02 LS has created an internal committee to develop policy that will outline a process by which all fees go through an annual review. The policy will address the establishment of fees; how, why, and when fees will be increased; and cost recovery.

10/09/01 This item is being considered as the current Manager is retiring shortly. The new Manager or acting Manager will be assigned this project.

Department: Leisure Services

Report No.: 1999-09 Department of Leisure Services - Recreation Division

C. 1. v Fees

Partially Complete

Recommendation

The discount given for aquatics passes should decrease to be more in line with discounts given from other merchants which is in the 10-20% range.

Management's Plan of Action

Recommendation will be considered when item #i. found in this section, has been accomplished.

Follow-up Response

3/10/03 This audit recommendation will be addressed in the department's overall revenue plan and fees and charges policy currently being developed by the administrative division staff.

5/12/02 This item will be addressed when the Department fees and charges policies have been established.

10/09/01 Aquatic pass discounts have been adjusted according to audit recommendation.

Department: Leisure Services

Report No.: 1999-09 Department of Leisure Services - Recreation Division

D. 3. i Resident Preference

Partially Complete

Recommendation

Leisure Services should evaluate implementing a program in which City residents can register between one and two weeks in advance of non-residents since this is customary in other municipalities.

Management's Plan of Action

Leisure Services Management will analyze the impact to customers and staff regarding City residents preferential treatment for early registration, reduced fees and other benefits. Analysis to be completed by April 2000.

Follow-up Response

3/06/03 LS will complete the evaluation of this recommendation and address it in the Fee and Charegss Policy to be completed in 7/03

5/10/02 LS has created an internal committee to develop policy that will outline a process by which all fees go through an annual review. The policy will address the establishment of fees; how, why, and when fees will be increased; and cost recovery.

10/09/01 The Divisions Manager responsible for this section is retiring shortly. The incoming Manager or acting Manager will be assigned this project.

Department: Leisure Services

Report No.: 1999-09 Department of Leisure Services - Recreation Division

D. 3. ii Resident Preference

Partially Complete

Recommendation

Leisure Services should consider setting a standard fee for all programs and giving residents a discount since they pay property taxes which support City programs.

Management's Plan of Action

Leisure Services Management will analyze the impact to customers and staff regarding City residents preferential treatment for early registration, reduced fees and other benefits. Analysis to be completed by April 2000.

Follow-up Response

3/06/03 LS will complete the evaluation of this recommendation and address it in the Fee and Charegess Policy to be completed in 7/03

5/10/02 LS has created an internal committee to develop policy that will outline a process by which all fees go through an annual review. The policy will address the establishment of fees; how, why, and when fees will be increased; and cost recovery.

10/09/01 The current Manger responsible for this section is retiring shortly and the new Manager or acting Manager will assume this project.

Department: Leisure Services

Report No.: 1999-09 Department of Leisure Services - Recreation Division

F. 2. i Pool Rental

Partially Complete

Recommendation

Aquatics should increase the fee for private pool rental from \$80 to \$200 to ensure the City residents are not subsidizing private functions.

Management's Plan of Action

Recommendation for a fee increase will be included in the Recreation Division's annual fee increase review process.

Follow-up Response

3/10/03 This audit recommendation will be addressed in the department's overall revenue plan and fees and charges policy currently being developed by the administrative division staff.

5/10/02 Fee increases are still under review by the Department.

10/09/01 Fee increases are still under review.

Department: Leisure Services

**Report No.: 1999-10 Department of Leisure Services - Recreation Division –
Community Schools**

**C. 3. i. City Network and Internet Access
By Community Schools**

**Partially
Complete**

Recommendation

City management should provide the Community Schools with access to the City intranet and the internet.

Management's Plan of Action

Recreation Division Management strongly agrees. Intranet and Internet requests regarding Community Schools were forwarded to IT in March of 1999. Additional requests will be forwarded again. Management will place the cost associated with requests in the 2000/2001 budget.

Follow-up Response

3/10/03 The Community Schools are at a 99% completion for the installation and access to the CLV intranet and Internet services. The only remaining location is Clark which is scheduled to have full services by the end of March 2003.

5/10/02 Approximately 50% of all the Community Schools are now connected to the City's software system. The completion date for the entire conversion is scheduled for December 2002.

10/17/01 Connectivity issues still exist at some Community Schools. Recreation Division management continues to work with IT. 25% complete.

Department: Leisure Services

Report No.: 1601-0102-07 Audit of Cultural and Community Affairs Division

1. 1. Cost Recovery

Partially Complete

Recommendation

City and Leisure Services management should establish cost recovery targets for the Cultural Division based on its total operating costs.

Management's Plan of Action

The Cultural Division will work to establish cost recovery targets for the Division by utilizing applicable data and the Community Needs Assessment Report, which is now available.

Timetable: January 1, 2002

Follow-up Response

3/03/03 The Cultural Division has established cost recovery goals for classes (100%) and other activities (15%). The Department of Leisure Services is establishing a fee increase plan that the Cultural Division will adopt. The department plan is to be complete by June 2003.

Department: Leisure Services

Report No.: 1601-0102-07 Audit of Cultural and Community Affairs Division

1. 3. Cost Recovery

Partially Complete

Recommendation

The following revenue enhancing and cost cutting measures should be considered to improve the Division's cost recovery:

- a) Increase program attendance;
- b) Raise fees for well attended programs;
- c) Adopt more aggressive fundraising activities through grant applications, corporate sponsors, and donations from public;
- d) Improve promotional and marketing methodology;
- e) Eliminate unnecessary administrative and overhead costs; and
- f) Use increased number of volunteers.

Management's Plan of Action

- a) Trend spotting will be facilitated with the use of the Event Review forms.
- b) With the data retrieved and assimilated on the Event Review forms, a clearer picture of which programs could withstand a fee increase will unfold.
- c) Grant applications will continue to be written by Cultural Division Staff. Staff will also continue to seek funding support from the community; increasing their efforts wherever possible.
- d) Publicity unit will continue to investigate the electronic media for inexpensive avenues that reach a wide audience. Cultural cross promoting will be expected wherever possible and keeping abreast of national marketing trends will be required.
- e) The Cultural Division's Acting Manager is in the process of taking an in-depth look at how the whole Division operates with an eye towards tightening efficiency standards.
- f) Utilizing an increased number of volunteers is addressed under recommendation number nine.

Timetable: November 2002.

Department: Leisure Services

Report No.: 1601-0102-07 Audit of Cultural and Community Affairs Division

Follow-up Response

3/03/03 Following the audit, the Cultural Division sent surveys to over 5,000 patrons and handed surveys to patrons using the centers. The surveys asked questions about programming, hours of operation, and pertinent issues. Programming staff has been instructed to utilize the information from the surveys, the department Community Needs Assessment, and Event Review reports to evaluate programming needs. Ticket prices have been raised for many of the Guest Artist Series, if applicable. Standard fees have not been raised due to the necessity of receiving City Council approval as mandated by City Charter. The Department of Leisure Services will be presenting a Revenue Policy to Council for approval asking to be able to raise fees according to direct program costs. Staff has increased applications to foundations and corporate sponsors. The Cultural Division is contracted with an on-line marketing agency. A new web page has been established; on-line ticketing will follow. A seasonal brochure was abandoned this year in favor of alternative promotion (i.e. paid advertising, web page, radio media). Volunteers are being used during performances. A continued effort is being made to contact volunteer organizations.

Department: Municipal Court

Report No.: 1999-07 Las Vegas Municipal Court

A. 2. Training and Reference Manual

Partially Complete

Recommendation

A training and reference manual for cashiers should be created and updated as needed to improve training and ensure consistency of operations between clerks.

Management's Plan of Action

The Court is in agreement. The process to create such a manual has been discussed and efforts have begun. Presently the divisions involved are being reorganized and management is gathering information on current procedures to provide a basis for creation of a standard operating procedure manual for the counter operations. We intend to have a training and reference manual for cashiers completed by June 2001.

Follow-up Response

3/12/03 The Court has begun the reengineering process of its existing case management system by initiating the first stage -- the development of the Court's Business Rules. A Business Rules Committee has been established and identified its objectives for accomplishing specific goals. This is the first phase of the system's new developments. The Court fully support the idea of a formal training manual and intends to prepare a formal manual upon completion of the system's new developments. The Court will continue it's current training practices as indicated in the previous response.

4/26/02 The Customer Assistant Division training is unique in that a new employee is required to create his/her own training manual during the training process. A new employee is assigned a personal trainer. The trainer reviews the training manual to confirm that the documented procedures are accurate. This process has proven to be the most efficient method for training clerks as they have so many different procedures for different type of cases. The existing training method allows clerks to document the procedures, thus reinforcing memorization. In addition, clerks can organize their manual in the best manner that suits them for retrieving information timely and thus, servicing customers speedily. As a result, management has decided to maintain it's current training process, which allows clerks to create, organize and retain their own training and reference manual. At some point when all new developments are completed, the department would like to produce a formal manual.

9/27/01 The training manual is in progress and is expected to be completed and distributed to staff by August 17, 2001. The court Cash Handling Policy and Procedure manual was published and distributed August 2, 2000.

Department: Municipal Court

Report No.: 1999-07 Las Vegas Municipal Court

B. 2. ii Transaction Receipts

Partially Complete

Recommendation

Consecutive receipt numbers should be automatically generated by the System, retained within the System for reference, and printed on the receipts.

Management's Plan of Action

Preliminary discussions with the IT Department regarding changing the current TR to a receipt similar to the SAT used by ASER have already occurred. The IT Department has requested that no changes be made to the legacy system until Y2K remediation and testing have been completed. Estimated completion of this remediation is December 1999 due to outstanding bugs from Y2K conversion.

Follow-up Response

3/12/03 The system does not have the capability to retain the consecutive receipt numbers. Effective October 31, 2002, the Court established a Business Rules Committee to begin the preliminary stages to evaluate our existing court system and current business practices. While this is the initial stage of the reengineering process of the existing court system, consecutive receipt numbers will be addressed during the development of a revenue module.

4/26/02 Same response as 9/27/01. The system does not have the capability to retain the consecutive receipt numbers. An IT Request was submitted and preliminary stages for creating a revenue module to the existing Legacy system will begin in the Fall of 2002. The estimated completion date is dependant upon availability of IT resources.

9/27/01 See Previous. The system will now generate consecutive receipt numbers and print the numbers on the receipts, but we still do not have the capability to retain the numbers in the system. Completion pending the addition of a revenue module to the existing Legacy system, or the acquisition of a new case management system.

Department: Municipal Court

Report No.: 1999-07 Las Vegas Municipal Court

B. 2. iii Transaction Receipts

Partially Complete

Recommendation

The receipts should include evidence of the method of payment, amount paid, and change due.

Management's Plan of Action

This capability is to be included in the City's new cash receipting system now under development. The cash receipting function will be one of the first items to be completed on the new Court computer system. Time and resources are being provided to complete it within the next few months. Until then, the clerks will write this information on the receipts.

Follow-up Response

3/12/03 Current procedures for documenting the method of payment are the same as indicated in the April 26, 2002 response. Preliminary stages for creating a revenue module have begun with the establishment of the Court's Business Rules Committee. The method of payment will be addressed during the development of the revenue module.

4/26/02 The Court's Legacy system still does not have the capability to track the method of payment, amounts paid and change due. However, the Court has implemented procedures for the clerks to manually record the information on the receipt. The new revenue module to the existing Legacy system will document the method of payment, amount paid and change due on the receipts. Preliminary stages for creating a revenue module to the existing Legacy system will begin in the Fall of 2002. The estimated completion date is dependant upon availability of IT resources.

9/27/01 Completion pending the addition of a revenue module to the existing Legacy system, or the acquisition of a new case management system.

Department: Municipal Court

Report No.: 1999-07 Las Vegas Municipal Court

B. 3. i Correspondence With Defendants

Partially Complete

Recommendation

In order to increase the effectiveness of the postcard mailings and avoid future waste in postage costs, management of the Court should work with the Information Technologies Department in making the required programming changes to ensure that the addresses being used for mailing are the most current in the System.

Management's Plan of Action

Management of the Court will work with IT in making these programming changes. We estimate that the required programming changes will be made in June 2001.

Follow-up Response

3/12/03 The Court is still performing the procedures described in the April 26, 2002 response. The Court has established a committee to review the postcard mailing process. The committee's objective is to evaluate existing procedures to determine if there is a more cost efficient process for postcard mailings and that it satisfies legal mandates relative thereto.

4/26/02 Clerks have been instructed to have defendants complete a Defendant Card when they appear at CAD's front counter. The information requested on the card is the history number, defendant's name, current address, city, state, zip, home and business phone numbers and employer. The cards are forwarded to an outside vendor who completes a database file and forward it to IT. IT downloads the information into the Legacy system. An IT request (HEAT #37419) has been submitted to use the latest good address on postcard mailings. In the event that a postcard is returned, the address is flagged in Legacy as a bad address. Thus, no additional mailing is forwarded to the defendant until a new address is obtained. Management believes this is the first step in the process of obtaining the most recent address for defendants.

9/27/01 No change to response of 5/12/2000.

Update 5/12/2000: This will require an entirely new screen program, and then the staff to input the data. It is on the list of approved programming, however there is presently no start or end date defined.

Department: Municipal Court

Report No.: 1999-07 Las Vegas Municipal Court

B. 3. ii Correspondence With Defendants

Partially Complete

Recommendation

Management of the Court should work with the Information Technologies Department in developing the capability within the Court System for recording the history of all correspondence with defendants. The history of all correspondence should be retained and accessible for review on a consolidated basis via a screen or report. Changes to the correspondence history should be restricted. Implementation of this capability within the Court System will improve the efficiency of court personnel working on individual cases and customer service.

Management's Plan of Action

Most, if not all, of the above recommendations will be implemented in the new computer system(s) in working towards a Court-wide paperless environment.

Follow-up Response

3/12/03 Effective October 31, 2002, the Court established a Business Rules Committee to began the preliminary stages of reengineering the Court's Legacy system. The above recommendations will be addressed during the review of the document management component of the Court's system.

4/26/02 There are no changes to the previous response.

9/27/01 No change to response of 5/12/2000.

Update 5/12/2000: A mail system is on the list of approved programming application development. There is no start or end date defined.

Department: Municipal Court

Report No.: 1999-07 Las Vegas Municipal Court

C. 1. ii Physical Security of Court

No Progress

Recommendation

Fireproof safes should be purchased by the Court to further reduce risk of loss of cash stored in safes overnight in case of fire and to comply with standards established by the Administrative Office of the Courts of the State of Nevada.

Management's Plan of Action

With the building of the Regional Justice Center underway, the Court has held off on purchasing fireproof safes due to the required cost. We believe the present safes provide adequate security, but we plan on purchasing fireproof safes for the new facility.

Follow-up Response

3/12/03 No change to 4/26/02 response.

4/26/02 No change to the response of 5/12/2000. Fireproof safes will be purchased when the Court moves to the Regional Justice Center.

9/27/01 No change to response of 5/12/2000.

Department: Municipal Court

Report No.: 1999-07 Las Vegas Municipal Court

C. 2. iii User Passwords For Court System

Partially Complete

Recommendation

System access logs should be created and reviewed periodically by management for unusual access attempts.

Management's Plan of Action

In designing the new Court system, system access logs will be requested and procedures implemented for their review.

Follow-up Response

3/12/03 Preliminary stages for reengineering the system have begun. This recommendation will be addressed during the system access review.

4/26/02 Completion of this recommendation is pending upon the reengineering of the existing Legacy system. Preliminary stages for reengineering the system will begin in the Fall of 2002. The estimated completion date is dependent upon the availability of IT resources.

9/27/01 Completion pending the addition of a revenue module to the existion Legacy system, or the acquisition of the new case management system.

Department: Municipal Court

Report No.: 1999-07 Las Vegas Municipal Court

C. 3. ii Court System Record Change Access and Monitoring Partially Complete

Recommendation

User-friendly audit trail reports should be created and generated daily from the Court System for review of significant and unusual transactions (see further discussion of audit trail reports at section D1).

Management's Plan of Action

Court management is looking into developing improved audit trail reports detailing voids, changes, additions, and adjustments on both revenue and non-revenue terminals. Once such reports are developed, procedures will be implemented for reviewing the reports for significant or unusual transactions.

Follow-up Response

3/12/03 The preliminary stages for reengineering the system have begun. This recommendation will be considered during the review of system reports and audit trails.

4/26/02 Completion of this recommendation is pending upon reengineering the existing Legacy system. Preliminary stages for reengineering the system will begin in the Fall of 2002. The estimated completion date is dependant upon availability of IT resources.

9/27/01 Completion pending the addition of a revenue module to the existing Legacy system, or the acquisition of a new case management system.

Department: Municipal Court

Report No.: 1999-07 Las Vegas Municipal Court

C. 4. ii Limits On Cash In Drawers

No Progress

Recommendation

The Court System should be improved to allow clerks to determine how much cash they have collected.

Management's Plan of Action

Management will look into the possibility of the legacy computer system keeping track of and indicating the amount of cash in each drawer.

Follow-up Response

3/12/03 No change from April 26, 2002 response. This recommendation will be considered during the system review process.

4/26/02 The current system does not provide cash receipt detail; however, the Court has implemented a cash drawer reduction procedure. The procedure requires clerks to perform multiple deposits in a day. Thus, minimizing the risk of losses. An IT request (HEAT #37423) has been submitted to address this recommendation. The estimated completion date is dependant upon availability of IT resources.

9/27/01 Completion pending the addition of a revenue module to the existing Legacy system, or the acquisition of a new case management system.

Department: Municipal Court

Report No.: 1999-07 Las Vegas Municipal Court

D. 1. Audit Trail Reports and Monitoring

Partially Complete

Recommendation

While limited measures have been taken by the Court to monitor deletions, voids, corrections and additions, Court management is in need of a consolidated, user-friendly audit trail report which can be used for daily review of these transactions. Once such a report is designed, procedures should be implemented to have personnel of the Court Accounting Unit review the report on a daily basis for significant or unusual transactions.

Management's Plan of Action

Court management is looking into developing improved audit trail reports detailing voids, changes, additions, and adjustments on both revenue and non-revenue terminals. Once such reports are developed, procedures will be implemented for reviewing the reports for significant or unusual transactions. We anticipate developing these improved reports by June 2001.

Follow-up Response

3/12/03 Primilary stages for reengineering the system have begun. This recommendation will be considered during the review of system reports and audit trails.

4/26/02 No change from the previous response.

9/27/01 Completion pending the addition of a revenue module to the existing Legacy system, or the acquisition of a new case management system.

Department: Municipal Court

Report No.: 1999-07 Las Vegas Municipal Court

D. 2. Bail Register Report Errors

Partially Complete

Recommendation

Court management should further investigate the errors within the Bail Register and procedures should be implemented to identify and monitor these errors in a more timely manner until the programming errors can be corrected. Court management should work with IT in addressing these issues.

Management's Plan of Action

The Court has looked into these differences and has pinpointed the problems. The problems must be corrected through computer programming. We will continue to work with IT to correct them and in the meantime continue to manually research and correct the errors.

Follow-up Response

3/12/03 No change from previous response.

4/26/02 No change from the previous response. The Accounting Unit is reconciling the bail account on a monthly basis and provides the City's Finance office with an adjusting journal entry.

9/27/01 There has been some improvement in the computer system to address these problems, but not all have yet been corrected. The accounting unit is reconciling the bail on a monthly basis and is receiving journal entries from the City Finance office to make corrections. Completion pending the addition of a revenue module to the existing Legacy system, or the acquisition of a new case management system.

Department: Municipal Court

Report No.: 2300-0001-03 Special Report: Municipal Court Mail Unit

7. Municipal Court Mail Unit

No Progress

Recommendation

The Court should continue to work with Information Technology in improving its system to include at a minimum 1) identification of the nature of payments, 2) printing of the change amount on receipts, and 3) suspension of processing of transactions while a cash drawer is open.

Management's Plan of Action

Court staff looked into an allegation by a customer that he had made a payment by money order that was not credited towards his outstanding case balance. He sent a copy of the canceled money order, verifying that the Court had deposited it. When this type of incident occurs, the Court performs a preliminary check, and if an explanation cannot be determined and it looks suspicious, it is referred to the City's internal auditors to investigate. The audit review made the determination that there was evidence of theft in this incident but culpability could not be unequivocally assigned due to significant internal control weakness. Since the July 1999 incident, the Municipal Court has initiated the following measures to improve cash handling controls:

- A written "Cash Handling Procedures" manual has been distributed to all staff, supervisors and managers who are involved in receiving payments or requesting payment disbursements. When an employee receives a manual, he/she must sign an agreement stating that he/she will follow the procedures as they pertain to his/her cash handling duties. The "Cash Handling Procedures" are based on the "Minimum Accounting Standards" requirements provided by the State Supreme Court and other Federal, State, local and GAFR standards. The procedures will help to resolve weaknesses that are mentioned in the audit by ensuring that staff members are trained, have written guidelines and understand and follow proper procedures.
- There are automated controls needed in the Court's automated case management system that are being requested in a new system package that is being researched.
- The handwritten mail log is being reviewed and tested periodically by the accounting unit. A computerized mail logging system is being developed which will facilitate tracking and retrieving payment information. The computerized log will also provide the ability of reconciling the mailed in payments with the bank deposits and ensure that all payments are accounted for. The mail log is a very important control measure. It must be complete, legible, accurate, and provide a trail to establish proof of payment in lieu of sending a receipt to the customer. The customer may also request that a proof of payment receipt be mailed when the payment has been received.
- Notices are posted emphasizing the right of the customer to receive a receipt when he/she makes a payment. This is an important control measure to ensure that when

Department: Municipal Court

Report No.: 2300-0001-03 Special Report: Municipal Court Mail Unit

- payments are received, the customer can see that it has been posted correctly to his/her case.
- The use of surveillance cameras has been used for the past few years. This control measure will be further enhanced and monitored more closely.
- The outside auditors performed an unannounced cash count. The Court accounting unit will continue to routinely perform surprise cash counts and audits as a means of reviewing cash handling procedural compliance and detecting any improprieties.
- A log of suspicious activity is being maintained. Managers are provided with a monthly log of overage and shortage and are immediately notified of any large or unusual discrepancies.
- Separation of duties has been accomplished to the extent possible in the space available. When a staff member is absent, substitute clerks must log and enter the receipts in order to keep the process moving. For the most part, one employee logs and another enters the payments into the system.

Follow-up Response

3/12/03 Preliminary stages for reengineering the Court system have begun. This recommendation will be considered during the design of the revenue module.

4/26/02 Completion of the recommendations is pending of a revenue module to the existing Legacy system and the availability of IT resources. Preliminary stages for creating a revenue module to the existing Legacy system will begin in the Fall of 2002.

Department: Public Works

**Report No.: 1502-0001-05 Audit of Las Vegas Area Computer Traffic System
(LVACTS)**

A. 1. 2. Performance Evaluation

Partially Complete

Recommendation

As required by the interlocal agreement, the OMC should file an annual performance report to the participating agencies.

Management's Plan of Action

The accumulated data discussed in the previous section (1.1.) will help the LVACTS organization and the OMC file an annual performance report to the participating agencies. As an appointee of the Committee, the LVACTS manager should be the drafter of this document, and submit it to the OMC for approval. Some of the information that will be part of this annual report will be as a result of a new idea proposed by the current LVACTS Manager. If the Committee is so inclined, he will be scheduling a "Technical Review Meeting" every three to six months. During these meetings, all member agencies will have technical staff present, and will discuss any timing modifications made to the coordination parameters of any devices within the system, as well as the reason for the change. Also, at this time, any future projects will be discussed or considered. All agencies will be able to provide input to LVACTS, and LVACTS staff will be able to explain the reasons for their decisions. This will be a casual, technical meeting, in a cooperative environment, and the discussion will be recorded in document form for all of the member agencies to read; the annual report can be formulated from this information.

Follow-up Response

3/08/03 This is an ongoing process, and will continue as part of the OMC budget preparation process as additional data is collected.

4/22/02 The data acquired in the previous section will be used for this purpose. It is scheduled to be completed for FY '01-'02 at the end of June 2002.

Department: Public Works

Report No.: 1502-0001-05 Audit of Las Vegas Area Computer Traffic System (LVACTS)

A. 3. 3. Physical Security

Partially Complete

Recommendation

All equipment and supplies should be stored in a secure area.

Management's Plan of Action

This recommendation will be put into place as soon as the land adjacent to the TMC is approved by the State of Nevada for the placement of a separate trailer to house maintenance staff and materials, as well as an additional storage shed. When these buildings are in place, the necessary space within the TMC will be freed up to securely store equipment and supplies needed for the system's operation and maintenance. We have been waiting the final notification of approval of this agreement from the State, and once finalized, we will proceed with the building acquisition, as approved by the OMC.

An additional measure has been developed by the current LVACTS management, and approved by the OMC. Asset tracking is in the best interest of all stakeholders in the LVACTS organization, and is just beginning to take shape. In early January, we received durable asset numbering labels and will begin placing them on all devices purchased by any source and used or maintained by the organization. This equipment will be tracked on an Access database, and will be the start of a program to track and secure all equipment and supplies used by LVACTS. This process will begin as soon as we can get the procedure in place, but will take considerable time to fully complete due to the number of assets for which LVACTS is responsible. In fact, it will never be complete, since assets are always being added to the LVACTS organization.

Follow-up Response

3/08/03 This issue has yet to be fully resolved, but significant progress has been made. We have secured an additional Maintenance Trailer directly adjacent to the Traffic Management Center that houses much of our critical equipment. In this facility, we have identified a specific location as a secure controlled access "warehouse." This is not fully completed at this time; however, we are 80% complete with the progress towards securing this area.

4/22/02 LVACTS has been working with the Nevada Department of Transportation in resolving the placement of an additional maintenance and storage facility adjacent to the TMC. This will make room for us to have dedicated storage. Additionally, Staff has begun the process of tracking the assets of which we are responsible. This will continue as our responsibilities grow with additional infrastructure.

Department: Public Works

Report No.: 1502-0001-05 Audit of Las Vegas Area Computer Traffic System (LVACTS)

A. 6. 2. Training

Partially Complete

Recommendation

LVACTS management should create job responsibility and procedure manuals and establish a cross-training program to limit their exposure to loss of knowledge with employee turnover.

Management's Plan of Action

Cross training is a great idea, and will be pursued to the level that is possible by current management. As the sophistication of the system increases, so does the complexity of assignments required by staff. In turn, specialization within one's responsibilities becomes more of a reality. This is not to say that we cannot cross train individuals, but due to the diverse backgrounds needed to perform specific functions, it may only be to a certain level. Nonetheless, when an individual in the organization approaches us and expresses a desire to "cross train" in another position, we do what we can to accommodate them. This interest by staff members is demonstrated by stating it in their Career Development Action Plan (CDAP). We must verify that they have the appropriate training, education, and background (i.e. clerical to clerical, technical to technical, managerial to managerial), and only then we can move forward. Limited cross training is appropriate and desirable, but caution must be used that in the process we do not "work someone outside their classification," for that could be construed as a contract violation with the binding City Employees Association (CEA) agreement, and this action is not acceptable by the OMC, or current LVACTS management.

As for the suggestion of developing job responsibility guidelines, these are being developed along with a general reorganization of LVACTS approved by the OMC last year. In conjunction with this reorganization, we are reviewing all duties performed by staff at the TMC, and working with Human Resources in developing appropriate job descriptions. Much of the technology has changed, and even more change is to come, as the new system undergoes final acceptance. These changes require a realignment of duties by all staff members, and this process is a work in progress. This entire process will take at least another year to fully complete, but will be well worth the effort to help the organization acquire the appropriate personnel in future hiring decisions.

After this realignment process is complete, all staff members will assist management in developing procedure manuals in relation to their jobs. These will then be compiled by management into a portfolio, and made available for use by employees that may follow. As the system evolves, so will these manuals, thus these will never be completely done.

Follow-up Response

3/08/03 This is an ongoing process, that will never "be complete" as the organization evolves into the Freeway and Arterial System of Transportation (FAST). Accordingly, LVACTS and the OMC will continue to work on the internal cross-training program, and the development of SOP manuals.

Department: Public Works

Report No.: 1502-0001-05 Audit of Las Vegas Area Computer Traffic System (LVACTS)

4/22/02 This has been, and will continue to be, a priority to the OMC and the current LVACTS Manager. The O & M Manual currently being developed that was discussed an earlier section will help the organization achieve this goal.

B. 5. 1. System Monitoring

Partially Complete

Recommendation

LVACTS should implement system-monitoring tools such as anti-virus, change control, and system performance software to maintain the integrity of the traffic control system.

Management's Plan of Action

Much of this software recommended by the audit will be provided the system integrator before final acceptance. The software that is not supplied, yet will be needed, will need to be identified as compatible with the proprietary software used for system control. Consultation with the software developer will occur to ascertain the ability to interface with our central system software upon final acceptance, and we intend to use the audit's guidelines for required functionality. We will know more after the new system becomes ours.

Follow-up Response

3/08/03 LVACTS Management has taken some initial steps with system monitoring, such as firewall software protection and change process. Until the System Integrator no longer must access our system (July 1, 2003), these items are incomplete. Once the system is fully ours to maintain and secure, we will implement suggested system monitoring tools.

4/22/02 LVACTS Management and the OMC agrees with this, as it is still part of the deliverable before final sign off of the new system software.